



Daily Report

East Asia

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Christopher's Speech Before APEC Forum Cited

Economic Linkage Noted

*OW1711235093 Tokyo KYODO in English 2306 GMT
17 Nov 93*

[By Antonio Kamiya]

[Text] Seattle, Nov. 17 KYODO—Secretary of State Warren Christopher declared Wednesday [17 November] that U.S. foreign policy in East Asia will be intimately linked to economic considerations and tied U.S. security engagements to increased U.S. exports to the region. Christopher outlined U.S. trade diplomacy on East Asia as leaders from the region began assembling in this west coast city for a series of meetings on trade and other economic issues confronting the region.

Christopher will meet the foreign and trade ministers of Pacific rim countries later in the day to kick off the annual ministerial conference of the Asia-Pacific Economic Cooperation (APEC) forum.

The APEC ministerial meeting will be followed by an informal summit meeting U.S. President Bill Clinton is to host for the top government leaders from the 15-member regional group, the first such gathering in APEC's four-year history.

Calling Asia a "most promising terrain" for U.S. exports, Christopher said a more friendly market for U.S. goods and services will thwart domestic criticism in the United States concerning U.S. military engagement in the region.

"For the American people to appreciate the benefits of such engagement, Asia's markets must be open to our goods and services," Christopher said in a speech at the university of Washington.

Christopher said the U.S. Government views such "shared prosperity" with the booming economies among the Pacific rim countries as a major pillar in the "new Pacific community" advocated by President Clinton.

Christopher, who Tuesday called for a doubling of U.S. exports to Asia over the next decade, said APEC is a vital part of the U.S. export-promotion strategy for the growing Asian market, which absorbed 128 billion dollars worth of U.S. Exports last year.

The members of APEC are the United States, Canada, Japan, Australia, New Zealand, South Korea, China, Taiwan, Hong Kong, and the six member states of the Association of Southeast Asian Nations (ASEAN).

The APEC ministerial meeting this week "is dedicated to expanding Pacific trade and investment (and) we will work to facilitate the entry of American business into Asian markets," Christopher said.

Another major focus of the APEC meetings is expected to be the persistent concerns among ASEAN members—Brunei, Indonesia, Malaysia, the Philippines, Singapore

and Thailand—that the United States may turn APEC into an organization used to force open their markets prematurely.

That fear has gained currency after a panel of economists from the region circulated a report among APEC countries calling for the establishment of a free-trade area within the Asia-Pacific region.

In his speech Wednesday, Christopher sought to allay the ASEAN concerns, declaring that "APEC is a building block, not a trading bloc." He said the United States has no intention of turning APEC into an organization that would "micromanage trade" in the region.

"The United States is going to be sensitive to the concerns of our Asian partners that we don't move too rapidly," Christopher said. The U.S. goal, he said, is to "bring greater harmony" to the trade policies among the diverse Asia-Pacific economies.

Quoted on Japan-U.S. Ties

*OW1711234493 Tokyo KYODO in English 2330 GMT
17 Nov 93*

[Text] Seattle, Nov. 17 KYODO—U.S. Secretary of State Warren Christopher urged Japan Wednesday [17 November] to "repair" its battered economic ties with the United States.

"The economic pillar is urgently in need of repair," Christopher said in a speech at the University of Washington.

Christopher gave the blunt message to Japan two days prior to a summit meeting between U.S. President Bill Clinton and Japanese Prime Minister Morihiro Hosokawa in Seattle.

Other Japanese and U.S. Government leaders have also scheduled a series of bilateral talks on the periphery of a ministerial conference of the Asia-Pacific Economic Cooperation (APEC).

Christopher said the United States now gives the same priority to economic ties with Japan as it does to security and political relations. In contrast with the chronic bickering on bilateral trade issues, Christopher said "the security and political pillars of our partnership with Japan are in sound condition."

Senior U.S. Administration officials said bilateral economic issues are expected to figure high in the talks between Hosokawa and Clinton, their second meeting in less than three months. The two leaders last met in New York in late September.

At the heart of the trade dispute between the United States and Japan is the vast and growing Japanese surplus in bilateral trade, which topped 49 billion dollars last year.

The two countries are currently involved in a series of "framework" trade talks aimed at increasing U.S. exports to Japan and to narrow the trade gap between the two countries.

"We are determined to forge a more equitable and mutually beneficial partnership," Christopher said.

YONHAP on Christopher Remarks

SK1811004593 Seoul YONHAP in English 0037 GMT 18 Nov 93

[Text] Seattle, Nov. 17 (YONHAP)—Washington is ready to think about options other than negotiations if North Korea continues to refuse nuclear inspections and inter-Korean dialogue, U.S. Secretary of State Warren Christopher said Wednesday. No other country is so serious a threat to nuclear non-proliferation as North Korea is, he said in a speech at the University of Washington.

It was a country seized in a distorted sense of time and unbudging to winds of change, it was the most isolated state in the world, said the top U.S. policymaker, in Seattle to attend the fifth annual conference of the Asia-Pacific Economic Cooperation (APEC).

What is expected of North Korea for a diplomatic solution to the nuclear problem is that Pyongyang comply with fullscope safeguards terms of the International Atomic Energy Agency (IAEA) and implement the inter-Korean agreement for a nuclear-free Korean peninsula, he said.

This, Christopher added, is not the position of the United States, but of the international community.

If North Korea denies the necessary nuclear inspections and turns away from inter-Korean dialogue, then Washington is ready to refer the matter to the United Nations Security Council and to consider alternatives to negotiation, he warned.

The Pyongyang regime is sacrificing the economic well-being of its citizens to maintain a military force of 1 million soldiers, Christopher said. North Korea cannot be allowed to pose a nuclear threat to South Korea or other neighboring countries, he said.

APEC Officials Said Relieved at NAFTA Passage

OW1811040293 Tokyo KYODO in English 0345 GMT 18 Nov 93

[Text] Seattle, Nov. 17 KYODO—Trade ministers from Pacific rim countries gave a collective sigh of relief Wednesday [17 November] after the controversial North American Free Trade Agreement (NAFTA) squeezed through the U.S. House of Representatives.

"We are now back in business," Hong Kong Trade Secretary Tak-Hay chau said.

The fate of the U.S. free-trade pact with Mexico and Canada has dominated the atmosphere of both formal and informal meetings in Seattle, where officials from the Asia-Pacific Economic Cooperation (APEC) forum have been drawing up blueprints for the forging of closer trade ties in the region.

"It won't be an exaggeration to say that everyone here is keenly interested in the outcome of NAFTA," a senior Japanese Government official said.

While some countries in Asia have expressed reservations about NAFTA, APEC officials said failure to get the trade pact through Congress would have had a chilling effect upon the ministers' meeting in Seattle.

Senior U.S. Administration officials had also warned that the collapse of NAFTA would tie President Bill Clinton's hands in the formulation of U.S. trade policy.

The congressional vote on NAFTA was "a test of our willingness" to open global trade and strengthen regional trading ties, Secretary of State Warren Christopher said in a speech in Seattle Wednesday.

ASEAN Official on Response Toward EAEC

BK1811022793 Bangkok BANGKOK POST in English 18 Nov 93 p 30

[Text] THREE important possible members of Malaysia's proposed grouping of Asian countries, the East Asia Economic Caucus, have shown a more positive response than was generally expected, according to comments from ASEAN Secretary General Ajit Singh.

Dato' Singh, who has just completed talks with ministers in Seoul, Beijing and Tokyo, told reporters that South Korea, China and Japan expressed serious interest in the EAEC and even offered suggestions that would help put EAEC into operation.

The Malaysian secretary general said he believed that the new interest in EAEC arose because after two years ASEAN was now getting the message across that EAEC is its own project and not exclusively a Malaysian idea.

Previously observers had interpreted statements of apparent support for EAEC more as a politeness designed not to offend Malaysian Prime Minister Mahathir Mohamed. Speaking on Tuesday in Seattle where he is attending the ministerial meeting of the Asia Pacific Economic Cooperation group, Dato' Singh, who is a Malaysian, sounded more convinced about the positive response.

He would not go into further details, however, because he had not yet had a chance to report back to ASEAN's ministers. That opportunity could arise this morning when he attends a breakfast for ASEAN hosted by Thai Foreign Minister Prasong Sunsiri as the current chairman of the ASEAN standing committee.

Dato' Singh was instructed by ASEAN economic ministers last month to explore the feelings of possible EAEC members. In addition to Japan, China and South Korea, the list also names Taiwan and Hong Kong. Dato' Singh will visit them later this year or early in the New Year.

One possible reason why doubts about the EAEC are easing could be ASEAN's decision to restrict EAEC membership only to members of APEC so that the two would not be rival organisations.

While EAEC concentrates on East Asian countries, APEC also includes North America, Australia and New Zealand. At the same time, Dato' Singh insisted that this did not mean EAEC would be subordinate to APEC. Nor would it duplicate APEC, he said.

Further on Singh's Remarks

BK1811100693 Singapore THE STRAITS TIMES in English 18 Nov 93 p 6

[By Bertha Henson]

[Text] Seattle—ASEAN secretary general Ajit Singh, here after a tour of China, Japan and South Korea, has said that the three Asian countries and ASEAN share much common ground on the East Asia Economic Caucus (EAEC) proposal.

Mr. Ajit Singh, who had been asked by ASEAN economic ministers to sound out prospective members of the Malaysian-mooted EAEC, said that leaders of the three countries had given him several "ideas and suggestions" to be conveyed to ASEAN ministers. He would not reveal what they were, nor would he say if the countries had agreed to join the EAEC.

"If they were not interested, they would not be making suggestions. As far as the concept is concerned, there is common agreement on what the EAEC should be," he told reporters. He said that all the parties would like the EAEC to be an organization compatible with the General Agreement on Tariffs and Trade and committed to open regionalism.

Singapore Foreign Minister on APEC, Rights

BK1811121493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 18 Nov 93

[Summary From Poor Reception] Foreign Minister Wong Kan Seng says Singapore wants APEC [Asia-Pacific Economic Cooperation] to consider moving forward by using a formula that allows members to opt out of certain projects. He says APEC member countries are comfortable with the pace with which the group is moving.

Speaking to Singapore reporters in Seattle, Mr. Wong suggested a 16 minus eight formula could be applied to the proposed APEC free trade area as a long-term vision. Mr. Wong was also asked if some Western countries within APEC might use the forum to pressure Asian

countries on human rights and democracy. He said Singapore would continue to tell them that how to run a country was none of their business and the issues of human rights and democracy should not be raised at a forum on trade and investment.

Singapore Trade Minister on Free Trade Area

BK1811115693 Singapore THE STRAITS TIMES in English 18 Nov 93 p 2

[By Bertha Henson and Chan Sue Meng]

[Text] Seattle—Singapore wants the Asia-Pacific Economic Cooperation forum to build gradually on the strong economic links of its 15 members and work towards the longer-term goal of a Pacific Asia Free Trade Area. Trade and Industry Minister S. Dhanabalan said this on Tuesday.

The free trade area proposal—raised by the Eminent Persons Group (EPG) which is advising APEC ministers—and the institutionalisation of APEC, have become major themes at the current meeting here of the forum's members. Several members had complained that the group was moving too fast.

Some had also said that the EPG report, which calls on members to decide on a target date for a free trade area in 1996, was unrealistic given the economic diversity of the membership. But Mr. Dhanabalan said that he saw no economic reason for throwing out the goal of a free trade area since APEC economies were already intertwined.

The fundamental question he said, was whether there was an economic advantage in strengthening the present trade and investment links.

"If the answer is yes, then we should do so. Obviously this will take a little time."

While APEC nations lacked the political push that caused the European Community [EC] members to come together during the Cold War, they had the common objective of wanting to grow together. And there were two good reasons for building on the links: intra-APEC trade accounted for 70 per cent of world trade and the region was the fastest growing in the world.

Sub-regional economic groups were already emerging in the Asia-Pacific region he noted.

The proposed North American Free Trade Agreement groups the United States, Canada and prospective APEC member Mexico; the ASEAN Free Trade Area encompasses six countries and Taiwan, Hong Kong and China could be considered an informal economic grouping.

"They are all closely linked economic groups within APEC and there must be scope for some of these groups to work with each other," he said.

Mr. Dhanabalan also said that he saw no reason why APEC should not evolve from its present loose structure into a more formal grouping. He said that members of APEC came together four years ago because of their strong economic links, rather than through an accident of geography.

"Why should we reject the idea that economic linkages are such that perhaps we should move from a loose group to a more formal group?"

Speaking to reporters a day after his arrival, he said that the EPG had made some useful recommendations, such as the proposal that APEC Economic and Finance ministers meet regularly.

"There is already so much inter-dependence that we cannot pretend that what happens in the United States and Japan domestically has no bearing on us." He cited a warm reception for the Eminent Persons Group's report as one of two things that would lead to a good outcome of the ministerial meeting.

The other would be a strong, substantive statement on the Uruguay Round in which APEC economies would call for past agreements, such as the Blair House pact between the United States and the EC on reducing farm export subsidies, to be non-negotiable.

Mr. Dhanabalan and Foreign Minister Wong Kan Seng will meet their counterparts today to discuss APEC's stand on the Uruguay Round, a proposed Declaration on Trade and Investment and the application of Mexico, Papua New Guinea, and Chile to join the forum.

Japanese Trade Minister Meets Taiwan Counterpart

OW1811054693 Tokyo KYODO in English 0402 GMT 18 Nov 93

[By Keiko Tatsuta]

[Text] Seattle, Nov. 17 KYODO—Taiwan's trade minister urged his Japanese counterpart to visit Taiwan when they met in Seattle Wednesday [17 November] before the Asia-Pacific Economic Cooperation (APEC) forum's ministerial meeting, Japanese Trade Ministry officials said.

Chiang Ping-kun, Taiwan's economic affairs minister, told Japan's International Trade and Industry Minister Hiroshi Kumagai that among 15 APEC member economies, only Japan has not yet sent any cabinet member to Taiwan since Tokyo broke diplomatic ties with Taipei in 1972, the officials said.

Over the years, cabinet members of the Group of Seven major industrial nations, except Japan, have made informal visits to Taiwan one after another, Chiang said.

Wu Yi, China's foreign trade and economic cooperation minister, also met Kumagai and expressed displeasure about a perceived U.S. move toward institutionalizing

APEC, the officials said. They quoted Wu as saying that since the conditions of APEC member economies' development vary, any decision should be made on a consensus basis in principle.

Kumagai stressed the need to strengthen APEC activities in regional economic cooperation while reflecting cautious views like China's, replying, "We will steadily advance it," the officials said.

Thai Prime Minister, Delegation Arrive in U.S.

BK1811082793 Bangkok Radio Thailand Network in Thai 0530 GMT 18 Nov 93

[Excerpt] Prime Minister Chuan Likphai and his delegation, who are on a trip to attend the ministerial-level meeting of the Asia and Pacific Economic Cooperation, or APEC, arrived in Seattle, the United States, at 1545 on 17 November, local time.

A Public Relations Department correspondent reports:

Prime Minister Chuan Likphai, accompanied by Thawat Wichaidit, secretary to the prime minister, and Aphisit Wetchachiwa, Prime Minister's Office spokesman, arrived at Tacoma Airport, Seattle, at 1545 local time, on 17 November to participate in the meeting of APEC leaders. The meeting is hosted by U.S. President Bill Clinton.

The Thai personnel who received the prime minister and the delegation at the airport were Deputy Prime Minister Suphachai Phanitchaphak and Thai Ambassador to the United States M.L. Phiraphong Kasemsi. The U.S. side consisted of the deputy secretary of state for protocol and his party.

During the APEC leaders meeting from 19 to 21 November, the Thai prime minister will meet leaders of the 15 APEC member countries. This APEC meeting is very important for the world trade forum. Various issues will be brought up for discussion, especially the economic problems and opportunities of APEC countries as they enter the 21st century.

The Thai prime minister will meet with leaders of various countries, such as Morihiro Hosokawa, prime minister of Japan; Jiang Zemin, president of the People's Republic of China; and Jean Cretien, prime minister of Canada. Importantly, Prime Minister Chuan Likphai will have a private meeting with U.S. President Bill Clinton tomorrow, 18 November. Prime Minister's Office spokesman Aphisit said this meeting will be the first between the leaders of the two countries. They will discuss issues on bilateral ties and future cooperation. Regarding the proposal to make APEC a free trade zone, Thailand still maintains its original stand to keep APEC as a consultative and not negotiations forum. Every country participating in this meeting wishes to see APEC as a forum contributing to the success of the GATT talks. [passage omitted]

Thai Minister Talks With U.S. Trade Official

BK1711123193 Bangkok Radio Thailand Network in Thai 0530 GMT 17 Nov 93

[Text] Deputy U.S. Trade Representative Mrs. Charlene Barshefsky called on Deputy Prime Minister Suphachai Phanitchaphak at the Four Seasons Hotel in Seattle at 1500. The two sides discussed details of the Asia-Pacific Economic Cooperation forum with a view to pushing for the successful conclusion of global round of the General Agreement on Tariffs and Trade talks. There have been proposals for an open market for eight products, namely liquor, beer, medical equipment, agricultural tools, steel, furniture, medical supplies, and marine products. The deputy prime minister said that there has been no clear-cut agreement on these. Thailand will propose opening up markets for three products.

[Begin Suphachai recording] We are ready to open up our market for those products if the Quad [precedent word in English] group and all of us agree to it. This will be mentioned in the declaration. The meeting of the ASEAN members in Singapore last month proposed opening up markets for products such as furniture, marine, electronic, and agricultural products. I think that they will be mentioned in the declaration. [end recording]

Supachai Cited on APEC

BK1811021993 Bangkok BANGKOK POST in English 18 Nov 93 p 30

[By Peter Mytri Ungphakon in Seattle]

[Text] TWO issues outside the specific agenda of the Asia Pacific Economic Cooperation (APEC) meetings in Seattle are attracting attention, but ministers and officials say they are determined to keep them out of the meeting room if possible.

The two issues are the congressional vote on the North American Free Trade Agreement [NAFTA] on Wednesday, U.S. time, and human rights.

The NAFTA bill will be difficult to suppress in the APEC discussions.

U.S. President Bill Clinton said on Tuesday he has enough votes to secure the NAFTA bill's passage through Congress. If he is right, then he will arrive in Seattle flush with confidence to discuss trade and economic cooperation with the 14 other APEC countries.

If the bill is defeated Mr Clinton will clearly be embarrassed, and around the world there will be a considerable amount of concern about the apparent strength of U.S. protectionism. The defeat will also raise comment in APEC which is discussing global trade liberalisation and regional freer trade.

Some Americans say, however, that a NAFTA defeat need not imply a rejection of free trade. Although former

presidential candidate Ross Perot has based his campaign against NAFTA on protectionist talk, some Americans are opposed on entirely different grounds. Some, perhaps a minority, argue that NAFTA is actually too protectionist and that the North Americans should place a greater emphasis on free trade through the Uruguay Round of GATT talks.

In Seattle, ministers from other APEC delegations are already saying NAFTA's defeat should not be a disaster for the group.

Thai Deputy Prime Minister Suphachai Phanitchaphak said APEC would still survive because APEC is itself only willing to go slowly, if at all, on its own free trade plans. APEC has other activities that are more important at the moment such as its work programmes, he said.

Foreign Minister Prasong Sunsiri was asked whether Thailand wanted NAFTA to be passed. He was reluctant to comment for fear of appearing to interfere in an internal U.S. affair. But when pressed to spell out the costs and benefits of NAFTA and its acceptance or rejection in Congress, Sqn Ldr Prasong replied: "We have our AFTA (ASEAN Free Trade Area). If I only say that, you should understand."

At the same time, U.S.-based human rights groups such as Asia Watch are trying to get human rights on the APEC agenda and Congressmen are quoted as saying they will put pressure on US ministers to raise the subject. Their targets include China and Indonesia. But a senior Administration official, speaking on condition of anonymity, said that while the United States is concerned about human rights, APEC is not the "vehicle" for raising concerns.

Instead, human rights is an issue better raised in bilateral discussions, she said, and APEC is not an organisation that imposes legally binding obligations on its members.

If complaints about human rights violations were raised in APEC that would imply the group's members did have legally binding obligations, she said.

"I don't think that human rights is on the agenda."

Sqn Ldr Prasong also said he did not think human rights would be discussed because APEC is a forum that concentrates on economic cooperation.

ROK Minister Meets PRC, Australian Officials

SK1711081893 Seoul YONHAP in English 0754 GMT 17 Nov 93

[Text] Seattle, Nov. 16 (YONHAP)—South Korean Trade, Industry and Energy Minister Kim Chol-su met with Chinese Foreign Economic Relations and Trade Minister Wu Yi on Tuesday in Seattle and they discussed bilateral cooperation in Asia-Pacific Economic Cooperation (APEC) projects as well as coordinating their support for the trade and investment framework (TIF), a regional free trade package.

The two trade representatives, their counterparts, and foreign ministers from 15 Asia-Pacific nations meet officially for the fifth APEC ministerial meeting, which takes place for two days before the unprecedented summit of member countries Nov. 19-20.

Kim told Wu that a government-industry automobile delegation will visit Beijing, Tianjin, and Shanghai for a week from Dec. 5 and a team to discuss Korean-made telephone exchanges would follow soon, and asked for special attention from Beijing.

Wu said gradual progress from parts manufacturing to assembly was the more desirable form of advancement into China by Korean automakers, hinting that Beijing disapproves of Korea's hope to build assembly lines.

She noted the Korean TDX telephone exchanges would be easily adopted in rural areas, but could cause difficulty in mixing with existing telephone exchanges in urban areas, and suggested the two sides make technical studies to overcome the problems.

The two trade ministers shared satisfaction over the settlement of the anti-dumping suit against Chinese soda lime and an import compromise of 20,000 tons each in 1994 and 1995 and 15,000 tons in 1996.

Both agreed that the report by the eminent persons' group (EPG) outlining far-reaching and stronger role of APEC would be useful in directing the Asia-Pacific economic forum, Assistant Trade Minister Park Un-suh said.

Earlier in the day, Kim met his Australian counterpart, Peter Cook, and the two agreed that the adoption of a declaration on trade and investment in the APEC meeting would give momentum to Asia-Pacific cooperation.

They agreed that the EPG's vision of APEC was good, but should be executed gradually based on coordination among member countries as the regional alliance is still young.

They were nonetheless in one voice that they work toward an Asia-Pacific Economic Community, although it will take time.

Cook asked Seoul to look favorably into access to the Korean market for Australian dairy products.

Indonesia's Alatas, ROK Counterpart Meet

BK1811040793 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 18 Nov 93

[Text] Indonesia and other Asian nations definitely want APEC to function as a consultative forum with non-binding economic cooperation.

Speaking to reporters after meeting with South Korean Foreign Minister Han Sung-chu in Seattle yesterday, Foreign Minister Ali Alatas clarified that not only Indonesia, but all other Asian nations are contemplating turning APEC into a cooperative and consultative forum toward increasing its capability of mutual analysis and cooperation in certain fields which could provide more benefits.

As such, Indonesia and the other Asian nations are against cooperation in the APEC forum of turning it into a bloc, similar to a trade bloc. Foreign Minister Ali Alatas clarified that Indonesia, like most other APEC member nations, prefers the existence of trade liberalization and investment in the Asia-Pacific nations in an effort to further achieve more progressive economic growth in the region.

The meeting between the two officials was conducted at the invitation of the South Korean foreign minister and the discussion centered on the framework of the agenda of the three-day ministerial-level meeting which will conclude tomorrow, 19 November.

Malaysia's Mahathir Explains Anti-APEC Stand

OW1811121493 Tokyo NHK General Television Network in Japanese 1040 GMT 18 Nov 93

[Interview with Malaysian Prime Minister Mohamad Mahathir by unidentified NHK reporter on 18 November; Mahathir speaks in English; place not given]

[Text] Malaysian Prime Minister Mahathir Mohamed said that he would not attend the Asia-Pacific Economic Cooperation [APEC] ministerial conference. He has been proposing that Asian nations form an economic bloc excluding the United States. We interviewed the prime minister this evening.

[Begin Mahathir recording] I am afraid that even if I were to explain, I will not be effective because of the very small minority of one. I have already explained why Malaysia does not want APEC to be a formal organization or that it should be used in order to counter EC. But apparently, it has had no effect. [end recording]

It seems Prime Minister Mahathir decided not to attend the APEC meeting because of Southeast Asian nations' concern that APEC, under the leadership of the United States, may change into an economic organization which aims at gradual economic cooperation. Attention will be focused on what kind of stance Japan will take when Southeast Asian nations confront the United States over an ideal form of APEC.

ASEAN Forum on Credit Rating Agencies Planned

BK1811101093 Kuala Lumpur NEW STRAITS TIMES in English 17 Nov 93 p 17

[Text] Four ASEAN countries have agreed to set up a regional organisation known as the "ASEAN Forum on Credit Rating Agencies" (AFCRA). Rating Agency Malaysia Bhd. [Limited] (RAM) said today.

Credit rating agencies from Malaysia, Indonesia, Thailand, and the Philippines met in Bangkok earlier this month to set up the regional organisation, RAM said in a statement. RAM said the organisation would have a chairman and secretariat. The candidate will be determined by rotation among the members annually. RAM will chair and host the forum next year and act as its secretariat. The Philippines will field the next chairman and host the secretariat in 1995. RAM said AFCRA would mark the beginning of mutual cooperation towards a more formal organisation in the future.

Among the objectives of AFCRA are:

- to serve as a forum to discuss issues related to credit-rating agencies;
- to stimulate and strengthen the development of financial markets;
- to cooperate with international and other regional credit-rating agencies in order to promote international standards for credit-rating services; and,
- to stimulate mutual understanding and cooperation between and among the credit-rating agencies, government agencies, and other institutions in ASEAN in order to help develop a supportive legal framework for the enhancement of financial markets. AFCRA is a continuation of an initiative taken in Bali in July this year.

There are two types of membership—regular members (credit-rating agencies) and advisory members (representatives from central banks and exchange commissions and stock exchanges).

Regional Fiber Optic Cable System Launched

BK1211131493 Kuala Lumpur NEW STRAITS TIMES in English 10 Nov 93 p 14

[By Kula Shunmugam]

[Text] Asia-Pacific's longest fibre optic cable system, costing some 838 million ringgit [Malaysian currency] was launched yesterday. It spans five countries—Hong Kong, Japan, Singapore, Taiwan and Malaysia. Known as the APC System, it covers 7,500 kilometres and can handle more than 52,000 simultaneous telephone conversations.

The joint fibre optic submarine cable system was implemented through the efforts of Telekom Malaysia Berhad, Hongkong Telecom, Japan-based International Digital Communications [IDC] and Kokusai Denshin Denwa, Singapore Telecom and International Telecommunication Development Corporation of Taiwan [ITDC] together with 37 other telecommunications organisations. Telekom

Malaysia executive chairman Tan Sri Rashdan Baba said the co-operation among the five countries and six main telecommunication organisations reflected their common desire to achieve a globalised telecommunications system.

"The APC system will be able to transmit better quality voice, video, graphics and data and will invariably offer a more cost-effective service to customers," he told reporters at the launch of the APC System in Kuala Lumpur. The launch was also carried out simultaneously in the other four countries.

Telekom Malaysia's participation also reflected its contribution towards upgrading the telecommunications system in the country and its commitment to provide quality services at par with those in the advanced countries by the year 2005.

On Malaysia's investment in the APC System, Rashdan said it amounted to some 90 million ringgit or 10.76 percent. Of the other partners, Singapore Telecom has the biggest stake at 18 percent, Hongkong Telecom 15 percent, Japan IDC 12.4 percent, Taiwan ITDC 9.4 percent. The balance is held by the other telecommunications organisations. He said Singapore had the largest stake as the country wanted a bigger capacity.

Asked about Telekom Malaysia's investments, he said the current 30:70 per cent investment ratio in cable and satellite will be reversed by the end of 1997.

"There is a great future in cables," he said. The APC System, which is designed to last for 25 years took two years to implement.

Mayors From Five Cities Agree To Cooperate

OW1011133193 Tokyo KYODO in English 1309 GMT 10 Nov 93

[Text] Kitakyushu, Fukuoka Pref., Nov. 10 KYODO—Mayors and business people from three cities in South Korea and China, all bordering the Yellow Sea, and two cities in Japan began a two-day meeting Wednesday [10 November] in northern Kyushu, western Japan. The mayors of the Japanese cities of Kitakyushu and Shimonoseki, Inchon in South Korea and China's Dalian and Qingdao discussed improving economic, administrative and information exchanges. They released a joint statement agreeing to establish a working level organization to plan regular meetings and invite more cities in the region to take part.

They also agreed to promote exchanges of personnel and technology to preserve the environment, and hold regular product fairs and business discussions. It is the third annual meeting of representatives from the cities.

Last year's gathering focused on talks between academics and business people from the cities. The establishment of diplomatic relations between China and South Korea in August last year made possible this year's meeting of the five mayors. Business people from the cities will meet Thursday.

Japan**U.S. House Passage of NAFTA Welcomed***OW1811052293 Tokyo KYODO in English 0504 GMT
18 Nov 93*

[Text] Tokyo, Nov. 8 KYODO—Japan on Thursday [18 November] welcomed the passage of the North American Free Trade Agreement (NAFTA) by the U.S. House of Representatives. Prime Minister Morihiro Hosokawa, in an informal meeting with reporters at his official residence, praised the U.S. Government for winning the passage of NAFTA.

Foreign Ministry Spokesman Terusuke Terada said in a statement that Japan welcomes the decision because it will avert the emergence of protectionist moves in the U.S. Congress, which some analysts had predicted if it failed. Terada said Japan hopes NAFTA will become an opportunity to liberalize and activate the economies of North America and contribute to maintaining and strengthening the economic development of the Asia-Pacific region and the multilateral free trade system.

He said NAFTA should be implemented in accordance with the General Agreement on Tariffs and Trade (GATT) and not raise obstacles to trade and investment against countries outside of the region. Japan will be watching closely to see how it is implemented, he said.

Terada also said that the early conclusion of the Uruguay Round of multilateral trade talks and maintaining and strengthening the multilateral free trade system would be beneficial for Japan and the U.S. and also for the Asia-Pacific region.

The U.S. House of Representatives passed the free-trade pact among the U.S., Mexico and Canada by a vote of 234 to 200.

Japan's International Trade and Industry Minister Hiroshi Kumagai also lauded the passage of NAFTA accord through the U.S. House of Representatives.

Kumagai, who is in Seattle to attend the ministerial meeting of the Asia-Pacific Economic Cooperation forum, said in a released statement that the passage "indicates the strong commitment of the U.S. to free trade." He expects the treaty to contribute to a development of the world economy through maintaining and strengthening the multilateral trade system as well as realizing liberalization and revitalization of economies in the North American region.

Mixed Reaction From Business*OW1811110293 Tokyo KYODO in English 1036 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan's business community reacted with a mixture of optimism and caution on Thursday [18 November] to the U.S. House of Representatives' passage of the North American Free

Trade Agreement (NAFTA). Some business executives said the accord should help expand Japanese exports to and investment in North America as it would eliminate tariffs between the United States, Mexico and Canada. But others expressed concern over a possible increase in U.S. protectionism as the endorsement of NAFTA might have protectionist repercussions. They also fear that President Bill Clinton, his political clout enhanced by the NAFTA passage, might step up U.S. pressure on Japan to resolve bilateral trade disputes.

Electric appliance and electronics manufacturers by and large welcomed the passage of NAFTA as some 30 companies have built manufacturing bases in Mexico, which would benefit most from the pact as the recipient of much foreign investment.

"This should help expand production in Mexico where labor costs are cheaper," said an executive at Matsushita Electric Industrial Co. But some are worried about the possibility of NAFTA fostering a regional trading bloc closed to outsiders.

"It is undesirable for a move toward a trading bloc to surface within the NAFTA countries," said an executive at Hitachi Ltd.

NAFTA could have a significant impact on Japanese companies manufacturing cars in the U.S. and Mexico as a rules-of-origin clause would require tariffs on products assembled in Mexico from Japanese parts.

"I hope NAFTA will not discriminate against corporations within its area by nationality of capital," said Yoshifumi Tsuji, president of Nissan Motor Co., which has plants in both the U.S. and Mexico. Because of these worries, business executives said a successful conclusion to the Uruguay Round of global trade talks is a key to containing possible protectionism from NAFTA.

Hosokawa Reacts in 'Anger' to U.S. Tax Call*OW1811125093 Tokyo KYODO in English 1235 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Prime Minister Morihiro Hosokawa reacted in anger Thursday [18 November] to recent remarks by some U.S. officials demanding income tax cuts in Japan. "There might be a request for income tax cuts at a meeting with President (Bill) Clinton but an issue like this is one Japanese statesmen and people should deal with in a decisive manner without being told of something like interference in internal affairs," Hosokawa told policymakers of the seven parties within the coalition government during lunch.

Hosokawa later told reporters that the issue of whether to implement income tax cuts is "one under Japan's jurisdiction and it is not a matter which could be talked about" with the United States. U.S. Treasury Secretary Lloyd Bentsen and Deputy Treasury Secretary Roger

Altman, among key U.S. officials, have urged Japan to cut taxes to stimulate its weakening economy.

Hosokawa is scheduled to meet Clinton in Seattle this week when the Japanese and U.S. leaders attend the Asia-Pacific Economic Cooperation (APEC) forum's summit.

Asks U.S. Not To Discuss Tax Cut

*OW1811135293 Tokyo KYODO in English 1343 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Prime Minister Morihiro Hosokawa has asked U.S. Ambassador Walter Mondale to persuade President Bill Clinton not to mention income tax cuts when they meet in Seattle this week, sources close to the premier said Thursday [18 November]. Hosokawa made this public when he met policymakers of the seven parties within the coalition government during lunch, some of the policymakers said.

They quoted Hosokawa as telling them that he told Mondale he wants the United States not to touch on income tax cuts in detail at the summit meeting. "But I don't know whether the ambassador passed this onto the President," Hosokawa was quoted as saying.

Hosokawa reportedly reacted in anger to recent remarks by some U.S. officials demanding Japan implement income tax cuts to stimulate the economy.

"There might be a request for income tax cuts at a meeting with President Clinton but an issue like this is one Japanese statesmen and people should deal with in a decisive manner without being told of something like interference in internal affairs," Hosokawa was quoted as saying.

Hosokawa later told reporters that the issue of whether to carry out income tax cuts is "one under Japan's jurisdiction and it is not a matter which could be talked about" with the U.S.

U.S. Treasury Secretary Lloyd Bentsen and Deputy Treasury Secretary Roger Altman, among key U.S. officials, have urged Japan to cut income taxes to boost the economy.

Hosokawa is scheduled to meet Clinton in Seattle on Friday when they get together to attend the Asia-Pacific Economic Cooperation forum's summit.

Antitrust Authorities Meet U.S. Counterparts

*OW1611115093 Tokyo KYODO in English 1139 GMT
16 Nov 93*

[Text] Tokyo, Nov. 16 KYODO—The Japanese and U.S. antitrust authorities ended two days of talks in Tokyo on Tuesday [16 November], after explaining their respective policies toward each other, government sources said. They said the U.S. team, led by Anne Bingaman, head of the Justice Department's Antitrust

Division, outlined the stricter guidelines the division has recently introduced on merger activities, and a cooperation accord with the European Community to head off any practices that undermine competition.

The Japanese side, chaired by Masami Kogayu, chairman of the Fair Trade Commission, explained its recent investigations into cases of "keiretsu" company groupings in the glass manufacturing and automobile industries, they said.

The U.S. side asked Japan to continue its stricter monitoring activities, the sources added.

Hosokawa Meets U.S.'s Howard Baker, Others

*OW1711032393 Tokyo KYODO in English 0255 GMT
17 Nov 93*

[Text] Tokyo, Nov. 17 KYODO—Former White House Chief of Staff Howard Baker predicted Wednesday [17 November] the North American Free Trade Agreement (NAFTA) will win House of Representatives approval by a narrow margin, a Foreign Ministry official said.

Baker, who occupied the post from 1987 to 1988 under the administration of then U.S. President Ronald Reagan, made the forecast when he visited Prime Minister Morihiro Hosokawa along with other former senior U.S. officials. Baker also served as Senate majority leader from 1981 to 1985.

Hosokawa told Baker and the other U.S. guests that he is keeping a close eye on the NAFTA vote in Congress scheduled for Wednesday, the official said.

In the same session, former U.S. State Secretary Lawrence Eagleburger praised U.S. President Bill Clinton's China policy, which aims to strengthen bilateral ties while seeking Beijing's shift in its human rights stance, the official said. Saying Clinton's China policy is becoming similar to that of the Republican party, Eagleburger reportedly spoke of the importance of U.S. relations with China.

The group of former U.S. officials arrived in Japan on Sunday for a six-day stay, during which they will meet Japanese political and economic leaders.

Kumagai Seeks Meeting With U.S. Counterpart

*OW1711044493 Tokyo KYODO in English 0417 GMT
17 Nov 93*

[Text] Tokyo, Nov. 17 KYODO—Japan's trade minister will hold a bilateral meeting with his counterparts from China, Taiwan, Hong Kong and South Korea on Wednesday [17 November] in Seattle before the Asia-Pacific Economic Cooperation (APEC) forum's ministerial meeting, ministry officials said.

International Trade and Industry Minister Hiroshi Kumagai will meet in the afternoon with Chiang Ping-kun, Taiwanese economic affairs minister, Kim Chol-su, South Korean trade, industry and energy minister, Wu

Yi, China's foreign trade and economic cooperation minister, and Brian Chau, Hong Kong's trade and industry chief, the officials said. They did not unveil details of the bilateral talks.

Arrangements are also being made for the trade minister to meet his Canadian and U.S. counterparts after the three-day ministerial meeting ends Friday morning, government sources said.

U.S. Satellite Firm Receives Loan for Exports

*OW1711093593 Tokyo KYODO in English 0753 GMT
17 Nov 93*

[Text] Tokyo, Nov. 17 KYODO—The Export-Import Bank of Japan signed an agreement Wednesday [17 November] to provide 46.6 million dollars in a direct loan to Space Systems/Loral Inc. (SSL) of the United States for export of two communications satellites to Japan.

California-based SSL, established in October 1990, is one of the three largest manufacturers of communications satellites in the U.S. The company with 2,000 employees has annual sales of about 500 million dollars, according to the Ex-Im Bank.

In 1983, the bank launched the program of loans to promote foreign export of manufactured goods to Japan. It has extended a total of 1,116.3 billion dollars in loans under the program, bank officials said.

Accord Reached on Reducing Yokota Night Flights

*OW1811051493 Tokyo KYODO in English 0447 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan and the United States have agreed to restrict night flights by U.S. military aircraft at Yokota Air Base on the outskirts of Tokyo, the Foreign Ministry said Thursday [18 November].

U.S. Government officials, and Japan's Foreign Ministry and the Defense Facilities Administration Agency, reached the agreement in a meeting of the Japan-U.S. Joint committee, the ministry said.

The accord is in line with a court-mediated settlement plan pertaining to a noise pollution suit filed by nearby residents.

Japan and the U.S. agreed that flights and ground activities between 10 p.m. and 6 a.m. [1300 to 2100 GMT] should be restricted to those which are essential to the U.S. Military's operations, the ministry said.

They also agreed that night-time flights should be limited to the minimum necessary to achieve the tasks assigned to U.S. forces stationed in Japan, it said.

The commander of the U.S. forces will also be expected to make utmost efforts to complete night flight activities as early as possible, according to the agreement.

A release by the U.S. forces Japan said the two governments acknowledged the U.S. forces "must be able to operate and train if they are to be able to fulfill American commitments under the mutual security treaty." The news release also said the two sides pledged to continue their "best efforts to reduce the impact of U.S. forces' activities on surrounding communities."

Some 600 residents near the base are demanding the Japanese Government ban flights from the base between 9 P.M. and 7 A.M., and pay compensation for both past and future suffering related to excess noise.

The head of the residents group demanding the ban, Ryuzo Fukumoto, criticized the agreement, saying the group had wanted a chance to air their opinions before the joint committee, pointing out that they were the ones making the demands.

"Until now we have been notified about any night landing practice after 9 p.m., but now I worry that there won't be any notification of any flights before 10 p.m.," Fukumoto added.

On November 8, the Tokyo high court proposed a compromise settlement, concerning the noisy night flights at Yokota base, which recommended that the government urge the U.S. forces to halt their night flights, except in emergencies. Under the proposal, the government would also compensate area residents subjected to high levels of noise with payments of between 3,000 yen and 17,000 yen per month, calculated from the time the first suit was filed, in July 1979, to the day a compromise is agreed upon.

The government is scheduled to submit its reply to the compromise proposal on December 3, at a court meeting.

Sources said late last week that the plaintiffs have decided to accept the settlement.

'Sources': Control To Continue on Wheat Imports

*OW1811094193 Tokyo KYODO in English 0917 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan plans to maintain state control over imports of wheat, barley and rye by requiring importers to sell all imports to the government despite accepting a proposal that would force it to lift all nontariff barriers, government sources said Thursday [18 November].

The government now monopolizes imports of wheat, barley and rye, but accepting the so-called tariffication proposal put forward in global trade talks would force it [to] convert such import regulations into tariffs.

The Ministry of Agriculture, Forestry and Fisheries is considering imposing low tariffs on imports equivalent to a level seen between 1986 and 1988 and high tariffs on those exceeding that level, according to ministry sources.

The ministry is also pondering keeping state control over imports of dairy products such as butter and powdered milk even if Japan formally accepts the tariffication proposal, they added.

Japan so far has strongly opposed the tariffication proposal, a key element in the ongoing Uruguay Round of global trade talks, but government sources have said Tokyo has reached a basic agreement to accept it after a six-year moratorium.

Government, EC To Cooperate on Environment

*OW1611110793 Tokyo KYODO in English 0943 GMT
16 Nov 93*

[Text] Tokyo, Nov. 16 KYODO—Japan and the European Community (EC) have agreed to cooperate in tackling environmental problems in Eastern Europe, Foreign Ministry officials said Tuesday [16 November]. The two sides reached the agreement during a meeting of high-level officials on the environment in Tokyo on Monday and Tuesday.

Deputy Foreign Minister Koichiro Matsuura of Japan and Laurens Jan Brinkhorst [spelling of name as received], the EC's director general for environment, nuclear safety and civil protection, were among those present at the two-day meeting, the officials said.

Japan and the EC also agreed to cooperate in various studies, such as protecting the ozone layer, the officials said.

The two sides discussed their environmental policies, including the follow-up on the 1992 Earth Summit in Rio de Janeiro, the officials said.

The meeting was the third of its kind. The next one will be held in the fall in Brussels.

Official Denies Placement of Tariffs on Rice

*OW1811104293 Tokyo KYODO in English 1019 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan's Vice Farm Minister Akio Kyoya on Thursday [18 November] denied recent media reports that Japan has agreed with the United States to lift its rice import ban and introduce tariffs.

The vice minister of agriculture, forestry and fisheries said at a press conference Japan will continue to negotiate on the principle of no rice imports. He said he regrets such reports being made considering the sensitivity of the negotiations.

Nippon Sanso To Raise Prices of Frozen Rice

*OW1611104993 Tokyo KYODO in English 0836 GMT
16 Nov 93*

[Text] Tokyo, Nov. 16 KYODO—Nippon Sanso Corp. said Tuesday [16 November] it will raise prices of its frozen rice products like rice balls and pilaf by an average 13.6 percent starting on December 1. Company officials said the price hike, varying from 6 to 14.5 percent, is a response to a 40 percent rise in rice prices resulting from this year's poor harvest. The company's frozen rice products are mostly supplied to restaurants and other food services operators. Coincidentally, Nippon Sanso is Japan's largest maker of oxygen.

First Shipment of Imported Rice Arrives

*OW1811022493 Tokyo KYODO in English 0108 GMT
18 Nov 93*

[Text] Yokohama, Nov. 18 KYODO—An Indonesian freighter arrived at Yokohama port Thursday [18 November] carrying the first batch of foreign-grown rice being imported to make up for the shortfall caused by this year's poor domestic rice harvest. The load was the first in a series of rice import shipments Japan has ordered as an emergency measure. This year's cool summer seriously affected Japan's domestic rice production which was 2 million tons short of requirements, officials said.

The 7,701-ton Tanjung Pinang entered Yokohama port at around 9 a.m. [0000 GMT] carrying 7,000 tons of Thai rice for use in processed foods. It was the first large-scale importation of rice in nine years.

Japan has imposed a de facto ban on rice imports, allowing only limited purchases of foreign rice for non-table use. A group of Japanese rice growers staged a protest at the port calling for the maintenance of the ban on rice imports.

Further rice shipments are expected to arrive at Nagoya, Kobe and Fukuoka ports later this year, officials said. The first Thai rice shipment was part of the 200,000 tons of rice to be imported for use in processed foods by the end of this year.

The government announced last week that it intends to import a further 900,000 tons of table-use rice. Japan is under international pressure to replace its rice import ban with tariffs, as proposed by the General Agreement on Tariffs and Trade (GATT), which has called for the successful conclusion of the Uruguay Round of world trade talks by December 15.

Foreign Ministry Reports on Aid to Egypt

*OW1811131093 Tokyo KYODO in English 1230 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan will extend a grant-in-aid of up to 5.78 billion yen to Egypt for projects

to improve its water supply and sewerage systems in Giza, the Foreign Ministry said Thursday [18 November].

Government officials of Japan and Egypt exchanged documents on the agreement in Cairo, the ministry said. The aid will be extended under a four-year contract authorization starting in fiscal 1993, it said.

Egypt will use the money to produce a detailed design necessary for the projects, which include the expansion of water works, laying of water distribution facilities and sewerage pumping facilities in Monib, Giza, the ministry said. Japan has extended grants-in-aid for similar projects in Omrania West in 1988 and Giza in 1988, it said.

In a related development, Japan will also extend a grant-in-aid of up to 619 million yen to Egypt for a project to rehabilitate floating pump stations in upper Egypt, the ministry said. Egypt will use the Japanese assistance to procure floating pumps to upgrade the irrigation system, which utilizes water from the Nile, it said.

Japan extended a grant-in-aid of 680 million yen for the first phase of the project in 1991, it said.

South African Draft Constitution Accord Hailed

*OW1811104893 Tokyo KYODO in English 1017 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan on Thursday [18 November] welcomed an agreement among South Africa's black and white political leaders on a draft interim constitution, which would guarantee equal rights for blacks.

Foreign Ministry Spokesman Terusuke Terada said in a statement that the government welcomed a meeting of political party leaders held Wednesday and the agreement reached there. Japan praises the accord as great progress toward realizing a democratic nation and believes it paves the way for the general election scheduled for April 27 next year, the statement said.

Terada said it was regrettable that some political parties did not join the meeting but voiced hope that talks among the officials concerned will continue so that April's election could draw widespread participation by all political parties. The proposed constitution would guarantee blacks equal rights, ending three centuries of white domination.

Foreigners Arrested for Alleged Illegal Entry

*OW1811073093 Tokyo KYODO in English 0418 GMT
18 Nov 93*

[Text] Yonago, Tottori Pref., Nov. 18 KYODO—Police have arrested two Bangladeshis for allegedly entering Japan illegally and four crew members of a Russian ship on suspicion of aiding them, police said Thursday [18

November]. The two Bangladeshis arrived in Sakaiminato, Tottori Prefecture, on the Sea of Japan sea coast, on Tuesday aboard the 3,000-ton Russian sailing ship, the Pallada, police said. They appear to have come to Japan in search of work, police said. According to the police, the Russians met the Bangladeshis on November 13 in Pusan, South Korea, and agreed to smuggle them into Japan for a certain fee.

Lower House Convenes To Vote on Reform Bills

*OW1811043793 Tokyo KYODO in English 0408 GMT
18 Nov 93*

[Excerpt] Tokyo, Nov. 18 KYODO—The House of Representatives on Thursday [18 November] afternoon began a plenary session on a vital package of political reform bills.

The government-sponsored package of four bills is virtually certain to be passed when the vote is taken around 2:30 P.M. After the final debate because the seven parties in the ruling coalition have a majority in the 511-seat lower house.

The coalition parties together hold 260 seats, while the opposition Liberal Democratic Party (LDP) has 226, the Japanese Communist Party (JCP) 15 and independents 10. But the vote may be complicated by some dissident members of the LDP and the coalition member Social Democratic Party (SDP) crossing party lines.

Some LDP members are expected to defy the party leadership and vote for the government bills. If that happens, there could be yet another split in the former ruling party, which was ousted from power in August by the coalition after 38 years of uninterrupted rule.

Two of parties in the ruling coalition—Sakigake (Harbinger) and Shinseito (Japan Renewal Party)—were founded in June by LDP defectors, and the LDP lost its lower house majority in the July 18 elections. Several dissidents in the SDP, unhappy with an increase in single-seat constituencies in the electoral reform bill, are also expected to defy their party leadership in the vote. [passage omitted]

Approves Political Reform Bills

*OW1811061093 Tokyo KYODO in English 0600 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—The House of Representatives on Thursday approved government-proposed political reform bills with the backing of seven coalition parties and some rebel members of the opposition Liberal Democratic Party.

The package of the four bills cleared the plenary session of the 511-seat lower house plenary session by a vote of 270 to 226. Fifteen lawmakers were not present for the session.

The package of the four bills will be immediately sent to the House of Councillors for further deliberations. The bills need to clear the upper house by December 15, when the 90-day current Diet session ends. The session could be extended.

The upper chamber, where the coalition holds a majority, needs at least one month to discuss the bills.

If enacted, the bills, designed to replace the current multiseat constituencies with a combination of 274 single-seat electoral districts and 226 seats elected through proportional representation are expected to further promote reorganization of Japanese politics.

The passage of the bills by the lower house came one day before Prime Minister Morihiro Hosokawa leaves Tokyo on Friday for Seattle to attend the meeting of leaders of the 15-member Asia-Pacific Economic Cooperation (APEC) forum. Hosokawa, who has indicated that he will step down if he fails to get the bills enacted by the end of this year, was strongly hoping to get them through the lower house before his departure to Seattle.

In voting on the bills, some 10 LDP members defied their party leadership and voted for them. LDP President Yohei Kono had urged party members to vote against the government package and support an alternative submitted by the LDP.

Under the LDP bills, the number of lower house seats would be reduced to 471 from the current 511. There would be 300 seats allocated to single-seat constituencies and the remaining 171 seats would be chosen by a prefecture-wide proportional representation system.

The revolt by these LDP legislators against the party leadership could signal yet another split in the former ruling party, which dominated the Japanese politics for 38 years before being ousted from power in the summer by Hosokawa's coalition government.

Two of the parties in the ruling coalition—Sakigake (Harbinger) and Shinseito (Japan Renewal Party)—were founded in June by LDP defectors.

Five dissidents in the Social Democratic Party, the largest group in the coalition government, unhappy with an increase in single-seat constituencies in the electoral reform bill, also ignored calls from their party leadership and voted against the government package.

Electoral reform and tighter controls on political funding, which form the core of the political reform bills, have been a major political theme in Japan over the past five years against the background of a series of money scandals.

Hosokawa's two immediate predecessors, Toshiki Kaifu and Kiichi Miyazawa, both of the LDP, stepped down after they had failed to enact political reform measures.

The bills will impose a total ban on individual politicians receiving corporate donations, while allowing political

parties and their fund-raising organizations to accept such donations. The package cuts the amount of money from state coffers available to fund political parties to the LDP-proposed total of 30.9 billion yen, down from the originally planned 41.4 billion yen.

Business Community Hails Passage

*OW1811120693 Tokyo KYODO in English 1148 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—Japan's business community praised the House of Representatives' passage of a package of four government-sponsored political reform bills Thursday [18 November]. The bills, designed to revamp the nation's graft-ridden political system, passed the lower house by a 270-226 vote with support from the seven ruling coalition parties as well as 13 dissidents of the opposition Liberal Democratic Party (LDP).

"The legislation of the bills is strongly sought by the Japanese people. I want the House of Councillors to deliberate the bills while taking this into account," said Masaru Hayami, president of the Japan Association of Corporate Executives (Keizai Doyukai).

"The recession is very severe, so I hope that legislators will realize political reform quickly to concentrate on debate over the economy as soon as possible," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren).

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said, "This is a symbolic event that the established framework of existing political parties is behind social changes."

In passing the bills, the coalition government picked up support from 13 dissidents of the opposition LDP. It lost five votes, however, from members of its partner the Social Democratic Party.

Inaba said the action taken by some lawmakers against their parties point to the need to review the established rules requiring lawmakers to follow their parties' policies.

"I believe the latest action should speed up a shakeout of Japan's politics," said Takeshi Nagano, president of the Japan Federation of Employers Associations (Nikkeiren). "Anyway, the government should steer politics so that the economy can go back on a stable (recovery) path," he said.

Reaction to Reform Bills Developments Noted

Various Business Leaders Comment

*OW1611133093 Tokyo KYODO in English 1302 GMT
16 Nov 93*

[Text] Tokyo, Nov. 16 KYODO—Business leaders welcomed approval of political reform bills by a Diet committee Tuesday [16 November] as a major step

toward the goal set by Prime Minister Morihiro Hosokawa's coalition government.

Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren), said he highly appreciated that steps have been taken toward political reforms that are strongly desired by the people.

Masaru Hayami, chairman of the Japan Association of Corporate Executives (Keizai Doyukai), said the business community has long called for realization of political reforms within this year.

The House of Representatives' Special Committee on Political Reform approved by a majority vote Tuesday the package of political reforms proposed by the Hosokawa government.

Political sources said the committee action paves the way for the passage of the package through the powerful lower house before Hosokawa leaves for Seattle, Washington, Friday to attend a summit of the Asia-Pacific Economic Cooperation forum this weekend.

Ken Moroi, vice president of the Japan Federation of Employers Associations (Nikkeiren), said the political foundations of the Hosokawa government will remain fragile unless the political reform is realized, and will have difficulty tackling major pending issues such as income tax cuts and the opening of Japan's rice market.

Osamu Uno, chairman of the Kansai Economic Federation, said in Osaka he expects the enactment of reform bills to end corruption and enable a two-party system.

Kansai Business Leader Comments

*OW1611121193 Tokyo KYODO in English 1141 GMT
16 Nov 93*

[Text] Osaka, Nov. 16 KYODO—A business leader welcomed approval of political reform bills in a Diet committee Tuesday [16 November] as a "major step forward" toward the goal pledged by the coalition government of Prime Minister Morihiro Hosokawa.

Osamu Uno, chairman of the Kansai Economic Federation, told reporters he expects the enactment of reform bills to end corruption and realize a two-party system.

The House of Representatives' Special Committee on Political Reform approved the package Tuesday, paving the way for the enactment of political reforms by the end of the year. Hosokawa had staked his political career on achieving that.

Coalition Clears 'Major Hurdle'

*OW1811092793 Tokyo KYODO in English 0907 GMT
18 Nov 93*

[Text] Tokyo, Nov. 18 KYODO—The coalition government cleared a major hurdle Thursday [18 November] in legislating political reform by the end of the year when

the House of Representatives passed a package of four bills on which Prime Minister Morihiro Hosokawa has staked his job.

The bills designed to revamp Japan's graft-ridden politics passed a plenary session of the 511-seat lower house by a vote of 270 to 226 with the backing of the seven ruling coalition parties and 13 dissidents of the opposition Liberal Democratic Party (LDP).

Four LDP members abstained from voting on the government bills.

Five members of coalition member the Social Democratic Party (SDP), meanwhile, voted against the government package.

The lower chamber, in which the coalition parties hold a simple majority, killed an LDP package of political reform bills with a vote of 278-225.

The coalition partners hold 260 seats in the lower house, while the LDP retains 226, the Japanese Communist Party (JCP) 15 and independents 10.

The government package will be immediately sent to the House of Councillors for further deliberation.

Hosokawa, who founded the Japan New Party (JNP) last year and took office in August as the first non-LDP premier in decades, has placed top priority on enacting sweeping political reform legislation this year, hinting he would step down if he fails to do so.

After the Lower House vote, Hosokawa told reporters the process has not reached a halfway point in achieving the goal.

The government will knuckle down to getting the bills through the upper house during the current extraordinary Diet session, said Hosokawa, who added he is not thinking of extending the session.

The 252-member upper house, in which the coalition parties also hold a majority, needs at least one month to deliberate on the bills. The Diet session, which winds up December 15, could be extended if necessary.

The 13 LDP members who voted with the government included former Education Minister Takeo Nishioka and party's four abstainers included former Prime Minister Toshiki Kaifu and former Deputy Prime Minister Masaharu Gotoda. The rebellion against the party leadership could herald yet another split in the former ruling party, which dominated the country's politics for 38 years until August.

Two of the parties in the coalition—Sakigake (Harbinger) and Shinseito (Japan Renewal Party)—were formed by LDP defectors just before the July general elections which ended LDP rule.

The five dissidents of the SDP, the largest force in the coalition, defied a party decision that all its Diet members back the government bills. Their action reflects fear

that the increase in single-seat constituencies included in the legislation could threaten the SDP's existence.

Thursday's voting marked a milestone in a five-year effort to rehabilitate Japanese politics since the recruit stocks-for-favors scandal of the late 1980s which dislodged then Prime Minister Noboru Takeshita.

Hosokawa's two predecessors—Kaifu and Kiichi Miyazawa of the LDP were forced to resign over failure to enact political reform bills over a period littered with scandals.

On Tuesday, the government bills cleared the lower house special committee on political reform, a crucial step in realizing Hosokawa's public pledge on attaining political renovation. The committee clearance came on the heels of a frantic round of meetings to try and reach a last-minute compromise between Hosokawa and LDP President Yohei Kono overnight Monday.

The two leaders, however, failed to see eye-to-eye in narrowing the differences between each side's bills.

The rival packages both emphasize replacing multiseat constituencies, seen as the cause of lavish campaign spending among candidates of the same party, with a system combining single-seat electorates and proportional representation, as well as tightening curbs on political fund-raising.

The government seeks 274 single-seat districts and 226 seats decided by proportional representation, cutting the total to 500. Hosokawa amended the initial plan of 250 seats each as a concession for his meeting with Kono.

The LDP wants 300 single-seat constituencies and 171 proportional representation seats, a combination more advantageous to a large party.

The government bills would ban politicians from receiving political donations from corporations, while allowing parties to accept corporate money. The package sets the amount of public money available for political activities at 30.9 billion yen, a figure proposed by the LDP, down from the coalition's initial proposal of 41.4 billion yen.

Hosokawa's Future 'Tests' Viewed

*OW1811094893 Tokyo KYODO in English 0931 GMT
18 Nov 93*

[By Takehiko Kajita]

[Text] Tokyo, Nov. 18 KYODO—Prime Minister Morihiro Hosokawa cleared a major parliamentary hurdle for his reform proposals Thursday [18 November], but he faces severe tests in the next few weeks as he pushes to get the legislation on to the statute books before the year-end.

Having staked his political future on the enactment of the bills before the start of the new year, it was undoubtedly a welcome development for the premier to see his

reform proposals passed through the House of Representatives special panel on reform on Tuesday and the full Lower House on Thursday. But Hosokawa had no time to heave a sigh of relief, knowing quite well how tough it will be to push the reforms through the House of Councillors by his self-imposed deadline.

With the current extraordinary Diet session scheduled to close December 15, the premier should keep going all out in trying to maintain unity among the seven partners of his coalition government and bridge differences with the main opposition Liberal Democratic Party (LDP) over some points of the reform course.

"As we have limited time before the Diet session closes, I must try as much as possible to enact the bills," Hosokawa told reporters in the Diet building after the government-proposed measures won approval in the lower house plenary session.

Political reform featuring changes in the electoral system of the lower house and tighter political funding has topped the parliamentary agenda since 1988, when an array of political scandals involving LDP politicians began shaking the then ruling party's monopoly on power.

Although its own reform package was rejected in the lower house, the LDP is poised to demand further modifications of the government bills in its favor and could adopt delaying tactics in the upper house session.

The governing coalition, in a move to compromise with the LDP, has partially amended its measures and adopted a system combining 274 directly elected seats, one per constituency, with 226 seats elected through proportional representation. The seven-party union originally sought 250 in each.

The LDP demanded 300 seats be elected through single-seat constituencies and 171 chosen through proportional representation.

Critics say the coalition and the LDP have recently concentrated only on horse-trading for a compromise, rather than on the underlying philosophy of political reform—that being, for whom and for what purpose reform should be achieved and what impact it will have on the Japanese political system in the future.

A senior government official acknowledged there is "no philosophy" behind the 274-226 balance between single-seat districts and the proportional representation system. But Takeo Nishioka, acting chairman of a reform-oriented LDP group led by former Prime Minister Toshiki Kaifu, has underscored the need to see through reform in some fashion during the current Diet sitting, saying, "there cannot be a perfect system."

A total of 13 LDP members, including Nishioka, voted for the government bills in the lower house plenary session Thursday in defiance of the party leadership call

to vote against them. Kaifu as well as former Deputy Prime Minister Masaharu Gotoda abstained from the vote.

It is expected, however, that the new electoral system would sweepingly change the political landscape in Japan, prompting a reconfiguration of political parties.

To root out political corruption endemic in Japanese public life, the proposed reforms are designed to make campaigning less costly for candidates and plug loopholes in existing election and political funding laws.

At the same time, the single-seat constituency system would force a number of legislators, including senior officials of each party, to wage an uphill battle for the sake of their survival in the political community. This would inevitably lead to a reorganization of the existing political structure.

Fresh moves for change have already emerged. As demonstrated by internal rebellions in the lower house vote on political reform bills, the Social Democratic Party, the largest force within the ruling coalition, and the LDP [Liberal Democratic Party] appear headed for erosion.

The LDP's future, among other things, will be severely tested as some of its Diet members hinted at bolting from the party which lost its 38-year grip on power in August.

The dramatic power shift over the summer followed a mass defection of lawmakers from the LDP to create their own parties, now in the coalition.

Can the LDP restore party unity and return to center stage in politics? Some predict the opposition party will face further disintegration sooner or later.

"Worse. I assume it will be all messed up. It will come apart at the seams," International Trade and Industry Minister Hiroshi Kumagai said Tuesday [16 November].

For Hosokawa, the future is not also necessarily bright. On top of long-coveted political reform, he also faces formidable domestic and international policy challenges, including the prolonged economic slump, international calls for the opening of Japan's rice market and reform of the taxation system.

Although he enjoys enormous popularity among voters, he and his government will be in jeopardy if he fails to meet even one of the challenges.

Ueda Leaves SDP To Form New Party

OW1811120893 Tokyo KYODO in English 1106 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—A left-leaning Social Democratic Party (SDP) member left the party Thursday [18 November] to form a new political group in a show of disgust with the SDP's backing of electoral reform bills.

Tetsu Ueda tendered his resignation to Chairman Tomiichi Murayama after the full House of Representatives voted in support of four political reform bills proposed by the seven-party coalition government, of which the SDP is the largest partner. The 65-year-old former lower house member told reporters the dual system will thoroughly overthrow parliamentary democracy. He said the SDP made a historical mistake in backing the reform bills.

The government bills are designed to clean up Japan's graft-ridden political system by replacing the current multiseat constituency system with a combination of single-seat districts and proportional representation.

"There is no way to give new life to the SDP," Ueda said in unveiling his plan to form a new political group within the year.

Ueda ran for the SDP chairmanship in 1986, when the party was the largest opposition force, but was defeated by Takako Doi, who is currently the lower house speaker.

Ueda was elected to the powerful lower house five times and to the House of Councillors twice but lost his lower chamber seat in the July 18 election. That election brought about the seven-party coalition government and an end to decades-old LDP dominance.

Meanwhile, Murayama expressed regret over five party members' decision to vote against the government reform bills in defiance of the party line to back the bills. Murayama told reporters the party will impose "some kind" of punishment on the dissenters.

The government bills passed a plenary session of the 511-seat lower house by a vote of 270 to 226 with the backing of seven coalition parties and 13 dissidents of the opposition Liberal Democratic Party.

SDP To Be 'Biggest Beneficiary'

OW1811121993 Tokyo KYODO in English 1051 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—The Social Democratic Party (SDP), the largest partner in the coalition government, will be the biggest beneficiary of the 30.9 billion yen allocated for public subsidies for political parties in the government's proposed political reform package, KYODO NEWS SERVICE estimates.

Based on the ratio of votes won by each party in the July general election, the opposition Liberal Democratic Party (LDP) will get 13.8 billion yen of the 30.9 billion yen in funds from state coffers under four bills which cleared the House of Representatives on Thursday [18 November].

The SDP will follow with 6 billion yen, while Shinseitō (Japan Renewal Party) will receive 3.3 billion yen, Komeitō 3.1 billion yen, the Japan New Party (JNP) 2.4 billion yen, the Democratic Socialist Party (DSP) 1.3

billion yen, Sakigake (Harbinger) 800 million yen and the United Social Democratic Party (USDP) 200 million yen.

Comparing the figures with each party's revenue for fiscal 1991 ended March 1992, the SDP will be the biggest beneficiary since 6 billion yen in subsidies represent 43.0 percent of its revenue, followed by the LDP at 30.0 percent, the DSP at 23.0 percent and Komeito at 18.8 percent, the KYODO estimate showed.

The Japanese Communist Party (JCP) will get 1.8 billion yen a year but the party has made it clear that it will not accept the public subsidies, arguing that the system allows a political party to accept taxes from people who do not support the party. The subsidies due to be received by the JCP will be divided among other parties if the JCP does not apply for the subsidies after the measure becomes law.

The government-proposed bill on public subsidies for political activities, along with three other political reform bills, are aimed at cleaning up the country's corrupt political system. Public subsidies should ease the burden on political parties to raise funds which has created widespread corruption.

The House of Councillors will deliberate the four-bill package in an effort to enact it by the end of this year as pledged by Prime Minister Morihiro Hosokawa.

LDP, JCP Heads Comment on Bills

OW1811125793 Tokyo NHK General Television Network in Japanese 1000 GMT 18 Nov 93

[Comments by Liberal Democratic Party President Yohei Kono and Japanese Communist Party Chairman Tetsuzo Fuwa on Diet approval of political reform bills; from the "NHK News 7" program]

[Text] The Liberal Democratic Party [LDP] and the Japanese Communist Party [JCP] are against the government's political reform bills. Here are the comments by LDP President Yohei Kono and JCP Chairman Tetsuzo Fuwa.

[Begin Kono recording] I am very sorry that what the party [LDP] has been advocating failed to win majority support. We lost by one vote at the lower house ad hoc committee. Opinions for and against the bills were expressed at the plenary session too. I wonder if making a decision to change the basic rules of democracy by such a narrow margin can be justified? The LDP should continue to question the government about the contents of the bills and ask for more amendments on them. [end recording]

[Begin Fuwa recording] It is a shame that the government railroaded the bills in the lower house today. This is an unforgettable rash act in every respect. It is an attempt to make major changes which are against democracy and the Constitution. The Communist Party is against this government plan and is determined to do

everything it can in and out of parliament to get the plan scrapped. Taking advantage of this opportunity, I declare to continue to work for the preservation of democracy in Japan. [end recording]

Today, the Communist Party has submitted to the upper house a counterproposal which calls for, among other things, a fundamental revision of lower house seat allocation under the current electoral system.

Nuclear Fuel Firm Ships Enriched Uranium

OW1811022993 Tokyo KYODO in English 0213 GMT 18 Nov 93

[Text] Rokkasho, Aomori Pref., Nov. 18 KYODO—Japan Nuclear Fuel Co. shipped an unspecified amount of enriched uranium Thursday [18 November] from its Rokkasho plant for the first time since beginning the enrichment process there in March 1992, officials said. The officials declined to specify the amount of enriched uranium or the route to be taken by trucks carrying it to the Tokai-Mura Nuclear Power Complex in Ibaraki Prefecture, about 110 kilometers northeast of Tokyo.

Industry sources estimated the amount at 20 tons loaded on five trucks in 10 cylinders each packing a maximum 2.3 tons of enriched uranium.

Some 200 antinuclear activists held a protest demonstration near the main gate of the facility as the truck convoy left, saying there was no guarantee the cargo would not be involved in an accident. A squad of 400 riot police and police helicopters watched the demonstrators, but no incidents were reported.

The enriched uranium will be processed at the Tokai-Mura facility into fuel for nuclear power plants, the officials said.

Japan Nuclear Fuel enriched the uranium on behalf of Tokyo Electric Power Co., Chubu Electric Power Co. and Kansai Electric Power Co., the three biggest of Japan's nine power utility firms.

The company will ship uranium from Rokkasho to Tokai-Mura several times a year, increasing to more than 10 times annually from 1998, the sources said.

The Rokkasho nuclear complex, some 500 kilometers north of Tokyo, also is scheduled to process plutonium for Japan's fast breeder reactor program.

Saito Denies Reported Income Tax Cut Plan

OW1811091793 Tokyo KYODO in English 0904 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—Vice Finance Minister Jiro Saito on Thursday [18 Thursday] denied a news report that Prime Minister Morihiro Hosokawa will shortly unveil a plan to implement an income tax cut of 5 trillion to 6 trillion yen in January. Speaking before a press conference, Saito said he has not heard of such a plan.

The report said Hosokawa will announce the plan to the public after receiving recommendations on Japan's tax system overhaul from his advisory tax panel Friday.

Saito said it would be difficult to compile the second supplementary budget for fiscal 1993 by the end of next week.

Saito was commenting on reports that the extra budget will be formulated on November 30. A schedule beyond the next week has yet to be fixed, he said.

Consumption Tax Hike for Income Tax Cut Opposed

OW1811132293 Tokyo KYODO in English 1308 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—Forty-five percent of respondents living in the Tokyo area opposed to an income tax reduction if it had to be balanced against a later consumption tax hike, advertising agency Dentsu Inc. said in a survey released Thursday [18 November]. Only 27 percent wanted income tax cuts even in that circumstance, the survey said. Thirty-six percent said an income tax reduction alone will not boost the economy and only 21 percent felt the need of an immediate cut, it said. The survey was conducted on 540 people, excluding students, between the ages of 18 and 59 in late October.

One in five respondents said that even if there is an income tax cut, they would deposit what they would save with their bank. Nearly 60 percent said they are restraining their expenditures and 37 percent said they are worried about their employment conditions.

Ministry Panel: Banks Need 'Threat' on Lending

OW1811082293 Tokyo KYODO in English 0747 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—Some policy "threat" is necessary to prevent financial institutions from causing another land speculation bubble, a Finance Ministry advisory panel agreed Thursday [18 November]. The panelists spelled out "a government policy that somewhat threatens" financial institutions as one of the measures to keep banks from repeating the practices that left them with massive bad debts when the 1980s economic bubble burst, a ministry official said. The study group is currently discussing problems and measures under the Financial System Research Committee.

As another remedy, the group called for a measure of "individuality" by financial institutions, pointing out that "group-oriented practices" led them to funnel massive funds to real estate firms in the 1980s, the official said. No other details were mentioned on the two measures, he said.

Also reviewing macroeconomic policy during the bubble economy in the late 1980s, the panelists stressed that policy makers focused too much on the adverse effects of

the strong yen and as a result left interest rates too low, the official said. The group is meeting once or twice a month until next June, but unlike many other panels, will only issue proposals it finds necessary.

Ministry Creates Life Insurance Standard

OW1811111493 Tokyo KYODO in English 1027 GMT 18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—The Finance Ministry has created a standard to measure the financial position of life insurance firms, informed sources said Thursday [18 November]. The so-called "solvency margin," or "surplus," is similar to the international capital adequacy ratio for commercial banks set by the bank for international settlements.

The ministry expects to implement the standard after planned liberalization of the insurance industry when competition among firms will become tighter, the sources noted. They said the government is hoping to introduce it in fiscal 1995 when the insurance law is to be revised.

The numerator for the standard will be the total amount of a company's reserves, capital, and the latent values of its stock and property holdings. The denominator will be half the amount of risks stemming from a possible unexpected jump in insurance payments and a decline in the value of the firm's portfolios.

There will be two versions of the standard, one to enable the ministry to decide if a company needs bailing out by the government and another simply to measure the stability of a company's financial position, the sources said.

The Finance Ministry is considering setting a similar standard for nonlife insurance firms as well, they said.

Kobe Steel Plans To Cut Executives' Pay

OW1211050693 Tokyo KYODO in English 0413 GMT 12 Nov 93

[Text] Tokyo, Nov. 12 KYODO—Major steelmaker Kobe Steel Ltd. will give all its labor force an extra one or two days off a month from next January to help tide it over the economic slump, company officials said Friday [12 November]. The decision came on the heels of the release Friday morning of financial results showing it made a loss in the half year up to September 30.

The company adopted a similar move in telling workers to stay home for more days for a six-month period to June 1987. About 20,200 employees will be affected.

Similar measures have also been taken by other steel giants such as Nippon Steel Corp., NKK [Nippon Kokan] Corp. and Sumitomo Metal Industries Ltd. The other big steelmaker, Kawasaki Steel Corp., plans to follow suit from January.

Kobe Steel will also increase a current 10 percent cut in salaries of executives to 15 percent, starting next month, the officials said.

Ministry Issues Estimates on Population Trends

OW1811133693 Tokyo KYODO in English 1047 GMT
18 Nov 93

[Text] Tokyo, Nov. 18 KYODO—Many baby boomers are likely to live alone in their old age in the early 21st century in Japan's rapidly graying society, according to an estimate by a Health and Welfare Ministry Institute revealed Thursday [18 November].

The institute of population problems issued the estimate made once every five years on households in 2010, based on the 1990 census and a 1992 estimate on future population, institute officials said.

In 2010, 4.6 million people—3.1 million women and 1.5 million men—aged 65 or older will live alone, compared with 1.6 million—1.3 million women and 310,000 men—in 1990, the officials said. The number of old men living by themselves is estimated to increase five-fold mainly because a greater number of men have not married, they said. Currently, 6.7 percent of men in their late 40s are unmarried, four times the comparative number 20 years ago, and the incidence is expected to rise further, they said.

Women will make up two-thirds of elderly solitary residents in 2010 as their average life expectancy is 82.2 years, compared with 76 years for men.

The institute said there will be 50.2 million households in 2010, an increase of 10 million, or 23 percent, from 1990. Eighty-six percent of the extra homes will accommodate elderly people. There will be 14.8 million homes headed by a person aged 65 or older, 2.2 times as many as 1990's 6.6 million, making up a third of all homes, compared with a sixth at present, the officials said. The average number of residents per household will drop to 2.55 from 3.0 in 1990, they said.

There will be 20 million homes accommodating parents and children, an increase of 10 percent from 1990, 14 million one-person households, a 1.5-fold rise, and 11 million couples' residences, almost double. Households where three generations live will number 4.7 million, a decrease of 34 percent, with less than 10 percent of children living in the same house as their grandparents, compared with 25 percent now.

North Korea

ROK Alert Order Seen as 'Grave Provocation'

SK1811055793 Pyongyang Korean Central
Broadcasting Network in Korean 0410 GMT 18 Nov 93

[NODONG SINMUN 18 November commentator's article: "The Provokers Will Pay a Dear Price"]

[Text] According to a report, the South Korean puppet Defense Ministry on 16 November declared an emergency alert posture, comparable to an emergency combat alert posture, on the three services of the entire puppet armed forces under the pretext of coping with the emergency state that may arise during the absence of the so-called person holding the prerogative of supreme command of the armed forces during Kim Yong-sam's junket to the United States.

The South Korean authorities describe this provocative measure they have taken as a measure to prepare for the North's unusual military moves. We cannot stand by idly [susu panggwon halsu optta] while the South Korean puppet Defense Ministry strains the situation to an extreme by declaring an emergency alert posture to coincide with Kim Yong-sam's junket to the foreign country and places the blame on us.

This is the first time that South Korea has declared an emergency alert posture against us when the person called its president makes a junket to another country. Further drawing our attention is the fact that the puppet Defense Ministry, in declaring the emergency alert posture, openly stated that this is comparable to an emergency combat alert posture, thus itself revealing the serious provocative nature and great danger of this step.

The Foal Eagle-93 nuclear war exercise and Hwarang war exercise are now being conducted in South Korea at the same time with some 4.5 million troops, some 1.5 million troops more than those mobilized last year, and with massive inputs of modern murder equipment. In addition to this game of playing with fire conducted in preparation for the northward invasion mobilizing vast armed forces capable of waging a full-fledged war, they declared an emergency alert posture, leading the situation on the Korean peninsula to an extreme phase, a dangerous brink of war, to which not only military experts but also the general public cannot but pay great attention.

It is natural for the entire nation should worry deeply and the world should be on the lookout for the reckless military moves of the South Korean puppets. Reality shows that the danger of war on the Korean peninsula which the people of the world express deep concern over, is not hypothetical but has reached the point of possibly becoming a physical reality [nunapui hyonsillo pyolchojilsu innun].

We regard the military measure taken by the South Korean authorities as an extremely grave provocation going beyond the extent of mere coercion [tansunhan wihyobui hangyerul posona] against us, foreboding the beginning of an act of war [chonjaeng haengwiui sijagul yegohanun]. Our People's Army and our people do not want war, but are never afraid of it.

The revolutionary nature of our People's Army and the people is to deal those carrying out a preemptive strike with fire and punish the provokers ever so many times.

As long as the South Korean puppets are all the more leading the situation to the brink of a dangerous war through bellicose measures such as an emergency alert posture by finding fault with us, we have the just right to take self-defensive measures against this. If the South Korean puppets dare carry out a preemptive strike, our People's Army and the people will get rid of the rascals in one blow.

The South Korean authorities are talking about the North's unusual military moves and so on. This is nothing but sophistry to hide their bellicose nature.

As is known, we have consistently made efforts to guarantee peace on the Korean peninsula and achieve peaceful reunification. Out of the sincere desire to realize national unity and open a way out for the nation as soon as possible, we put forth the 10-point program of the great national unity in April which has an epoch-making significance in resolving the fatherland's reunification issue. We also put forth an epoch-making proposal to exchange special envoys to discuss and resolve pending issues such as the issue of the meeting between the top leaders of the two sides and nuclear issue. Thus, we made all sincere efforts to realize them.

We repeatedly expressed our will that the nuclear issue on the Korean peninsula must be resolved through the method of dialogue and negotiations and showed it through practical acts. Nevertheless, the South Korean rulers found fault with the North's so-called nuclear issue, which is no problem at all and which has no doubts whatsoever, and are moving to strike us with their fists. Therefore, we cannot but cut off the wrists of the provokers with the mighty knife of self-defense.

The South Korean authorities made the puppet army, navy, and air force go into an emergency alert posture. This is because they felt uneasy over the fact that the situation within South Korea is not stable. Another purpose was to maintain in whatever way their civilian government which is weakening. At the same time this is to put the breaks in the three-stage DPRK-U.S. talks to resolve the nuclear issue on the Korean peninsula. This is also related to the nasty and insidious political attempt to obtain something.

Whatever the purpose of the provokers, the military moves assuming an emergency alert posture has a very reckless and dangerous provocative character. Therefore, no one can by any means give a tacit approval of such grave war acts.

Now that the true colors of the civilian-led government have been completely revealed through such adventurous military move as an emergency alert posture not only within South Korea, but also in North-South relations we are going to clearly call it in question before the nation.

Kim Yong-sam was an opposition figure who claimed himself to be a standard bearer of democracy at one time. He has so cunning a disposition and trick that he

could ascend to the pinnacle of power by colluding with the Democratic Justice Party, the military fascist dictatorial political party. This time again, with that cunning disposition and trick he tried to get something through the measure for an emergency alert posture. However, he should know that such a method will not work out.

The South Korean people, as well, have been watching with patience the attitude of the present ruler who seeks [word indistinct] and civilian-led politics. However, what the civilian-led government has brought to the South Korean people to date is that it has bound the South Korean people hand and foot with iron chains, as is seen in the order for an emergency alert posture taken this time.

The South Korean rulers should realize that even though they can maintain their power momentarily today with such ruling methods, they cannot do so tomorrow. Civilian-led politics and the emergency alert posture can not be compatible.

Today, the political circles, social circles, and press circles in South Korea say that there are no politics in Kim Yong-sam's Chongwadae [presidential residence]. The current measure for an emergency alert posture is a play with fire which is caused by the lack of politics. It is also a product created by the political poverty of those who do not have their own philosophy.

For a ruler, the lack of politics means death. The declaration of an emergency alert posture cannot be construed other than as a reckless act of those who are going to their graves. Approaching their end, the South Korean authorities can neither blame nor curse anyone. They themselves are provokers, and, therefore, they themselves should assume responsibility for it and receive the people's judgment.

We cannot tolerate at all the act of the South Korean puppets who are leading the situation on the Korean peninsula to an extremely dangerous war situation [kukhi wihomhan chonjaeng kungmyon], while laying the blame on us.

Our people and the People's Army treasure the country's destiny and the nation's interests. Proceeding from this position we will call those who should be responsible for the crimes of leading the country's situation to a war situation [chonjaeng kungmyon] and disturbing peace, as is seen today, to account for them. We will also punish those who should be punished so that they should pay a dear price.

KCNA Summarizes Commentary

SK1811045193 Pyongyang KCNA in English 0436
GMT 18 Nov 93

["Provokers Will Have To Pay Dearly for Their Acts
NODONG SINMUN Commentator's Article"—KCNA
headline]

[Text] Pyongyang, November 18 (KCNA)—We cannot remain an onlooker to the "emergency alert posture" declared by the South Korean puppet defence ministry on November 16 timing with Kim Yong-sam's U.S. trip. We consider the military step to be a very grave provocation predicting the start of a belligerent act beyond the limit of threat to us.

NODONG SINMUN today says this in a commentator's article.

It further says:

Our People's Army and people do not want war. But they are never afraid of it.

As the South Korean puppets have brought the situation closer to the dangerous brink of war by taking such bellicose steps as "emergency alert posture" against us, we have a legitimate right to take self-defensive measures to cope with it. If they dare forestall us, our People's Army and people will crush them at a stroke.

The South Korean authorities' talk about the "North's ill-boding military move" is nothing but a sophism for veiling their bellicose nature.

In putting the three services of the puppet army into an "emergency alert posture," feeling uneasy about the unstable internal situation of South Korea, the apparently seek to prop up at any cost the "civilian regime" on a decline. It also seems that they are motivated by a despicable and sinister political intention to put the brake on the third round of DPRK-U.S. talks for the settlement of the nuclear problem on the Korean peninsula and get something therefrom.

No matter what purpose the provokers may pursue, their military step of taking an "emergency alert posture" is of very reckless, dangerous provocative nature. So, such a dangerous belligerent act can never be tolerated.

With the true color of the "civilian regime" brought into a bold relief not only in South Korea but also in North-South relations through such adventurous military action as the "emergency alert posture," we will keep tabs on it before the nation.

The latest emergency step is a war gamble conceivable only in a place where there is no politics and an offspring of political destitution of those with no philosophy of theirs. The proclamation of the "emergency alert posture" cannot be construed otherwise than a reckless act of those on the way to their doom.

Being the provokers, the South Korean authorities are the very one who must be responsible for their acts and meet a judgement.

We cannot pardon at all the South Korean puppets who are bringing the situation of the Korean peninsula to the very dangerous brink of war, taking issue with us.

We will bring to book those who are responsible for such crime as bringing the situation of the country to the brink of war and disturbing peace and will punish those who deserve it and thus surely make them pay dearly for their acts.

Radio Reports U.S.-ROK Foal Eagle Maneuvers

SK1811005793 Pyongyang Korean Central

Broadcasting Network in Korean 2200 GMT 17 Nov 93

[Text] According to a military source, on 16 November the U.S. imperialists and the South Korean puppets began staging the provocative Foal Eagle-93 joint war exercise aimed at invading the North on a full scale and, thus, are leading the situation on the Korean peninsula to a dangerous touch-and-go situation.

On that day, formations of large-type transport planes and large-type transport helicopters of the puppet army which appeared in the skies of Sinchon-ri, Paju county and Sayo-ri, Chorwon-up, Chorwon county, Kangwon Province of South Korea dropped scores of special commando teams on operational areas.

The special commandos infiltrated from the air, ground, and sea carried out surprise attack exercises as if they were actually fighting on the selected targets simulated as the northern half of the republic by teams and combined teams from all directions.

Scores of teams of the puppets' special commandos infiltrated into Chokko-ri and Chongok-ri, Yonchon county and Oechon-ri, Chorwon-up, Chorwon county, Kangwon Province of South Korea and recklessly fired large-caliber machine guns and automatic rifles, spreading the odor of gunpowder in the air.

On the same day, the puppets maneuvered to mobilize groups of tanks and large-caliber artillery units near the area of Kumi-ri, Yonchon county and (Suwa)-ri, Inje county. The puppets' large-caliber gun group of Changpa-ri, Paju county and Kangsan-ri, Chorwon county, Kangwon Province of South Korea which occupied a camp site for firing power, concentratedly showered shells in the neighboring areas of the Military Demarcation Line of the DMZ, assisting the operations of the special commandos. Thus they madly carried out war exercises.

Under the system of the Foal Eagle-93 joint war exercise, the U.S. imperialists heatedly carried out aerial war exercises. The provocative Foal Eagle-93 joint war exercise was carried out on a full-scale from 16 November. Thus, dozens of fighter planes which were launched from overseas bases flew into the U.S. Air Force bases occupied in South Korea under the assistance of air-to-air refueling planes. Under the unified command of the special combined command of the U.S. imperialists and the South Korean puppets, these fighter planes were committed in the aerial war exercise carried out mainly

over the skies of Umsong, Wonju, and Yongwol. Thus, they were running amok in the surprise attack exercise aimed to invade the North.

On the same day, the KC-135 refueling planes which took off from the base in Guam created a commotion by carrying out air-to-air refueling of the dozens of fighter planes which were running amok in the aerial war exercise.

Such war maneuvers which are being carried out madly, running counter to easing tensions on the Korean peninsula and North-South dialogue, is a vicious act of challenge toward our people's desire for peace and reunification.

Radio Notes South Korean Defects to North

*SK1711140093 Pyongyang Korean Central
Broadcasting Network in Korean 1210 GMT 17 Nov 93*

[Text] Pak Hung-tal, 37, a South Korean compatriot, came over to the northern half of the Republic with a longing for the popular mass-centered socialist system of our own style. Relevant sector functionaries gave him a bouquet and, with a feeling of compatriots, warmly greeted him, who came over to the bosom of the Republic where true life is being glorified.

His home town is (Hwanpang-ri), Nam-myon, Yangju-gun, Kyonggi-do and attended the elementary and middle school there. He got various jobs after graduating from school. His parents and brothers live in South Korea.

He said that he no longer wanted to live in the South Korean society because he was disappointed over the anti-people and separatist policy of the South Korean authorities, who strengthen their suppression upon the people, youth, and students who are conducting a struggle for the democratization of the South Korean society and reunification of the country. He said that through the radio of the North and the books introducing the North, he began to know the correct people-oriented policy of the northern half of the Republic, and that since then, he has boundlessly longed for the socialism of the North built by the great leader and led by the dear mister leader [chinhaehanun chideja sosaeng].

He said, particularly, that the news on the northern half of the Republic, that moves forward by upholding the socialist banner under the situation in which the imperialists' anti-republic and anti-socialist maneuvers are strengthened in a unprecedented way, made him feel a national pride and further fortified his will to defect to the North. He has arrived in Pyongyang and is now full of happiness and joy because his dream of going to the North was realized.

KCNA Reports Defection

*SK1711151793 Pyongyang KCNA in English 1501
GMT 17 Nov 93*

[Text] Pyongyang, November 17 (KCNA)—Pak Hung-tal, 37, a South Korean, came over to the Democratic People's Republic of Korea.

Hailing from Yangju County, Kyonggi Province, he studied at primary and middle school and then engaged in different jobs.

He has his parents, brothers and sisters in South Korea.

He said he wanted to live no longer in South Korea, increasingly disillusioned about the anti-popular, separatist policy of the South Korean authorities who harshly suppressed the struggle of people and students for democratization of the South Korean society and for national reunification.

The news of the DPRK which had advanced under the banner of socialism in face of the unprecedented anti-DPRK, anti-socialist moves of the imperialists inspired him with national pride and encouraged him to come to the North, he added.

PRC Friendship Association Delegation Departs

*SK1811024593 Pyongyang Korean Central
Broadcasting Network in Korean 1300 GMT 15 Nov 93*

[Text] A delegation of the Chinese People's Association for Friendship With Foreign Countries and the China-Korea Friendship Association headed by Sun Ying, vice-chairman of the Gansu Provincial People's Association for Friendship With Foreign Countries, left Pyongyang by train on 15 November. The delegation was seen off at Pyongyang Station by Chon Yong-ok, vice chairman of the Committee for Cultural Relations with Foreign Countries and vice chairman of the Central Committee of the Korea-China Friendship Association.

Iranian Foreign Ministry Cited on Nuclear Issue

*SK1811102693 Pyongyang KCNA in English 1011
GMT 18 Nov 93*

[Text] Pyongyang, November 18 (KCNA)—The general director of the International Organization Department of the Ministry of Foreign Affairs of Iran told a news briefing on the situation of the Korean peninsula that the strained situation of the peninsula was mainly attributable to the one-sided policy of the United States toward North Korea.

Recalling that U.S. President Clinton recently made remarks grossly getting on the nerve of North Korea, he said this was an infringement upon the sovereignty of a country.

Noting that pressure on North Korea would bring nothing, he stressed that the nuclear problem on the Korean peninsula should be solved through DPRK-U.S. talks.

He held that the international community including the United Nations must respect impartiality in the settlement of the problem and the "nuclear problem" of North Korea be solved in a peaceful way through DPRK-U.S. talks.

KCNA Reports on 12 Nov Talks in Cambodia

*SK1811064893 Pyongyang KCNA in English 0423
GMT 18 Nov 93*

[Text] Pyongyang, November 18 (KCNA)—Chea Sim, chairman of the C.C., People's Party of Cambodia, and Son Sann, supreme adviser of the Council of the Kingdom of Cambodia and chairman of the Buddhist Liberal Democratic Party, separately met with a delegation of the Korean Social Democratic Party led by Kim Pyong-sik, chairman of its Central Committee, on November 12.

Chea Sim said he wishes His Excellency Generalissimo Kim Il-song, the great leader, and His Excellency Marshal Kim Chong-il, the dear leader, a long life in good health and greater success in accomplishing the noble cause of adding lustre to Korean-style socialism.

"I extend my heartfelt, deep thanks to them who have always fully supported the Cambodian cause of justice and shown particular care for his majesty the king," he added.

"Korea is a great friend of the Kingdom of Cambodia and H.M. King Norodom Sihanouk is an intimate friend of the respected leader President Kim Il-song," he said, and stressed:

"I, on behalf of the people, the people's party, the National Assembly and the government of Cambodia, declare that the Kingdom of Cambodia will invariably remain a great friend of Korea and fully support the Korean people in the efforts for the peaceful reunification of the country in the future, too."

Son Sann said they would always remember the deep benevolence of the respected leader who rendered support to Cambodia in the most difficult time.

Journalists Union Holds Seventh Congress

Chairman Delivers Report

*SK1711113093 Pyongyang KCNA in English 1047
GMT 17 Nov 93*

[Text] Pyongyang, November 17 (KCNA)—Hyon Chunkuk, chairman of the Central Committee of the Korean Journalists Union [KJU], delivered a report at the Seventh Congress of the KJU opened here today under the

title "Let us become the vanguard on the ideological front loyal to the party and the cause of socialism".

He said the congress will be a meeting of singlehearted unity, a meeting of loyalty to strikingly demonstrate the sagacious guidance of the party which is triumphantly leading the work of building the press of the ruling party under socialism and to harden the unshakable faith and will of all the Korean journalists, men of the press to share the destiny with their leaders to the last under whatever circumstances.

He recalled that the Korean journalists, men of the press have creditably carried on the noble cause of resolutely defending the party and the leader and firmly safeguarding and exalting socialism with the pen and mikes of revolution, rallied as firm as a rock behind their leaders, without slightest ideological vacillation even in the encirclement of the imperialist allied forces and in face of their persistent moves to isolate and stifle the country.

He said the Korean journalists, men of the press are not merely recorders and onlookers of history who are engaged in only writing and editing but staunch fighters who are on the forefront of ideological confrontation with the enemy, defending socialism, fully exposing all sorts of injustices and social vices of the corrupt capitalist society and announcing a solemn declaration of doom on the imperialists and reactionaries with the pen of revolution.

"The success of which our journalists, men of the press can be most proud in summing up their work is that they have taken the van in the glorious work of holding the illustrious leader in high esteem in the centre of unity and upholding him with loyalty by inheriting the tradition of singlehearted unity of our revolution centring around the leader," he noted.

He said it is one of the great feats performed by the Korean journalists, men of the press for history and the times that they have concentrated all efforts in propaganda through publication and information services on highly praising and upholding only dear Comrade Kim Chong-il as the illustrious leader of the Korean revolution and the cause of anti-imperialist independence, always cherishing the feelings of unquestioned worship and wholehearted loyalty to their leaders and firmly trusting and following only the dear leader even in the vortex of treachery and perfidy in the world.

The reporter said:

The achievements also find expression in that the journalists and pressmen have conducted vigorous publication and information activities to greatly contribute to defending the ideological fortress of socialism impreguably and giving a powerful impetus to the revolution and construction even under the grim situation.

Our journalists and pressmen have directed particular efforts to steadfastly defending the ideological fortress of

socialism in order to make the entire people fully realise the truth that socialism is their life and blood and that when they defend socialism, they will emerge victorious and when abandoning it, they will perish.

Our journalists and announcers have always been active as agitators in implementing the operational intention and policies of the great leader and the dear leader to increase the economic potential of the country and remarkably improve the people's living by powerfully accelerating the socialist economic construction and the technical revolution.

The brilliant successes registered by our news media for the prosperity and development of the socialist country, national reunification and the strengthening of the international solidarity with our revolution are associated with the energetic role and great feats of the mass media and journalists and pressmen of the General Association of Korean Residents in Japan including CHOSON SINBO and the Korean News Service which are worldwide models of publications of overseas compatriots.

The ranks of the journalists and pressmen have been built up as units of those loyal and devoted to the dear leader, united in one mind, resolved to defend him at the cost of their lives, and great changes have taken place in their ideological and mental traits, the reporter said, and continued:

As all the journalists and pressmen who remain unfailingly loyal to the party and the leader, devote all their wisdom, energy and thought for the victory of the party's cause and uplift their honor of being the eternal companions, assistants and good advisors of the party and ardently defending and thoroughly implementing the party's policies are steadfastly defending our party, its ideological front is impregnable and Korean-style socialism centred on the popular masses is becoming all the more invincible.

All the achievements made in our publication and information services and in the activities of the journalists and pressmen in the past are a precious fruition of the *chuche*-based, unique idea of publication and information propounded by the great leader Comrade Kim Il-song and of the wise guidance of the dear leader Comrade Kim Chong-il who has successfully carried it forward.

Each time the situation changed rapidly and our party was faced with difficult and complicated tasks, the party worked out distinguished and superb operations of information to vigorously direct the efforts for constantly enhancing the militant and agitating role of our press media.

It clearly testifies to its rare wisdom and superb tactics in planning operations of information that the party launched a bold information campaign for fully demonstrating worldwide the high spirit and might of the

Korean people who turned out like a mountain, united in one mind, to cope with the moves of the imperialists to stifle our Republic.

The dear leader Comrade Kim Chong-il is, indeed, a great penman and an outstanding genius of publication and information peerless in history who has ushered in a great heyday of our publication and information services, guiding the journalists and pressmen throughout the country fully responsible for their destiny and future.

The reporter said the journalists, men of the press are now faced with the honorable yet heavy task of resolutely defending and further glorifying the socialist cause of *chuche*.

He quoted the great leader Comrade Kim Il-song as saying:

"The whole party and the entire people should remain unfailingly loyal to the leadership of Comrade Kim Chong-il in order to defend the anthropocentric socialism of our country and successfully accomplish the revolutionary cause of *chuche*. A sure guarantee of carrying forward the socialist cause to accomplishment lies in remaining unfailingly loyal to the leadership of Comrade Kim Chong-il".

The reporter further said:

Through all the publications, our journalists, men of the press should further intensify education to make the entire people harden their faith and will.

In keeping with their characteristics, our newspapers, news agency, radios, books and magazines must give prominence to articles and edited materials of various kinds dealing with the greatness of the respected leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il as great thinkers and theoreticians, extraordinary statesmen, distinguished military strategists and tender-hearted fatherly leaders of the people and thereby instill the feelings of unbounded reverence and unquestioned worship for the party and the leader deeply in the minds of the people.

In the propaganda through news media, we should make the entire people ardently sympathize with the great reality of our system and socialist motherland and get the revolutionary spirit of self-reliance and hard struggle to pervade the whole country and the flames of the struggle for the creation of the "speed of the general march of our-style socialism" to flare up fiercely.

We should more dynamically conduct press activities so that the whole nation can turn out in the nationwide struggle to achieve the independent reunification of the country in the 1990's at any cost, and should conduct propaganda through publication and information services in a go-ahead way to accelerate the process of making the whole world independent.

Our journalists, men of the press, with unshakable faith in socialism of *chuche*, will advance along the road of

socialism to the end, united around the dear leader Comrade Kim Chong-il in one mind, not wavering even a little under any storm and stress, the reporter stressed.

WPK Sends Congratulatory Message

*SK1711132693 Pyongyang Korean Central
Broadcasting Network in Korean 0602 GMT 17 Nov 93*

[“Congratulatory message” from the WPK Central Committee to the Seventh KJU Conference on 17 November in Pyongyang; read by Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the DPRK Administration Council—recorded]

[Text] The Seventh Korean Journalists Union [KJU] Conference opened amid great interest of our journalists, men of the press, and the people at a time when all party members and working people are vigorously struggling to defend, protect, and further glorify our-style socialism with a singlehearted unity with the party and the leader.

The current conference is a historical one to demonstrate the unshakable conviction and will of all the journalists and men of the press to carry the revolutionary *chuche* cause through with the pen of revolution under the leadership of the party and to induce a signal change in the publication and information activities in compliance with the new requirements of the developing revolution.

The Workers Party of Korea [WPK] Central Committee sends warm congratulations to the participants of the conference and to all journalists and men of the press who always tenaciously defended and protected the party by cherishing a great pride in being fighters with the pen of the party, who reliably defended the party's ideological front, and who devotedly struggled for victory in the socialist cause by dedicating all their wisdom and ability. [applause]

The journalists and men of the press are the ideological standard-bearers who defend and protect the party and the leader [suryong] politically and ideologically by holding the pen and microphone in hand. They are the ideological activists who vigorously inspire the masses to the accomplishment of the party's policies.

In the early days, the great leader Comrade Kim Il-song put out various revolutionary publications based on his keen awareness of the role of men of publications and of the press in the revolutionary struggle during the anti-Japanese revolutionary struggle period. Thus, he provided a precious hotbed for *chuche*-oriented publication and information. After the national liberation, he published a number of publications and information materials, including the party organ, and organized the firm ranks of journalists and men of the press of our party.

By inheriting the noble tradition in building the revolutionary publication and press, our party strengthened and developed our publication and press into the party's mighty ideological weapon, which truly contributes to

the socialist cause. Our party carried out energetic guidance so that journalists and men of the press were fostered to be the *chuche*-type fighters with the pen who were unswervingly loyal to the party and the leader.

Our party elucidated new theoretical and practical issues raised in building publication and press, and established an orderly system under which publication and information activities were carried out under the party's leadership. Thus, our party enhanced the militant functions and role of the people in our publication and information fields in every way and made them fulfill the mission as the party's journalists and men of the press.

Our journalists and men of the press, keenly realizing the heavy responsibility and honor in defending outposts of the party's ideological front, raised the fierce beaconfire in the revolution of (?human knowledge), of the press, of the broadcast and of publication. Thus, they actively contributed to the cause of *chuche*-orientation of the entire society.

By vigorously carrying out publication and information activities to strengthen the main force of our revolution, journalists and men of the press made great contributions to consolidating the singlehearted unity of the leader, the party, and the masses by firmly arming the party members and workers with our party's *chuche* idea and by firmly uniting them with the party and the leader.

By persistently waging publication and information propaganda activities on the inevitability, superiority, and victory of our-style socialism, which is our people's life, journalists and men of the press encouraged party members and working people to devotedly struggle to consolidate and develop the mass-centered socialist system in our country with the firm conviction and will for socialism. The journalists and men of the press contributed to making the party members and workers tenaciously defend, protect, and further glorify *chuche*-oriented socialism by expelling the imperialists' challenge.

The journalists and men of the press loudly beat the drum of economic agitation as ideological standard-bearers in accomplishing the party's idea for great socialist construction. Thus, they inspired and encouraged the party members and workers to effect constant upsurges in production and construction and to create miracles and feats in the rewarding struggle to build great monumental creations of the era of the Workers Party.

The journalists and men of the press aggressively carried out the information campaign [podojon] and press campaign [ollonjon] to vigorously inspire all compatriots in the North, the South, and overseas to the struggle for the independent reunification of the nation by crushing the antireunification maneuvers of the splittists at home and abroad. Thus, they effected a great achievement.

Today the ranks of our journalists and men of the press have been firmly organized with loyal fighters with the pen who are struggling for the accomplishment of the

socialist cause by dedicating their lives and by deeply cherishing the sense of loyalty to the party.

Our journalists and men of the press are tenaciously advancing along the road of socialism in the firm unity with the party without the slightest degree of wavering even under the complicated situation in which antisocialist maneuvers of the imperialists and reactionaries have been intensified. It is a great pride of our party to have the ranks of such journalists and men of the press.

The WPK Central Committee highly appraises the great achievements made by our journalists and men of the press in the struggle to strengthen the party and revolutionary ranks with intense loyalty to the party, accelerate socialist construction, and achieve an independent reunification of the country at an early date. [applause]

The great leader Comrade Kim Il-song has taught: The revolutionary road which our people traversed in the past is arduous and rigorous. However, the difficulties that we must break through are unprecedented in their seriousness and graveness.

The prevailing situation in our country today and grave tasks facing the party demand that a new turning point be effected in publication and information activities.

Loyalty to the party is the fundamental life of our journalists and men of the press. Just as publication functionaries of the anti-Japanese guerrilla units rendered all loyalty to the great leader Comrade Kim Il-song by upholding him as the great sun of the nation, our journalists and men of the press should assume loyalty to our party as their faith, conscience, and morality and should make it part of their daily routine. Thus, they should fight to the end to accomplish the *chuche* revolutionary cause by entrusting the party with their destiny and by following the party's leadership no matter how violent wind may blow.

By actively waging publication and information activities to establish the revolutionary outlook on the leader among party members and workers, journalists and men of the press should make them keenly understand the greatness in ideology and leadership of the party and the leader, as well as the greatness in their achievements and traits, and uphold the party and the leader forever with loyalty.

Journalists and men of the press should tenaciously carry out publication and information propaganda activities to make party members and workers keenly realize in principle and in actuality the superiority and indomitable might of socialism of our country, ardently love socialism, and devote everything to accomplishment of the socialist cause.

Journalists and men of the press should further strengthen publication and information activities for indoctrination of revolutionary tradition, of the revolution, of the class, and of socialist patriotism among party members and workers. They should encourage party

members and workers to brilliantly inherit our party's glorious revolutionary tradition, to maintain the class position and revolutionary principle of the working class, and to unswervingly fight for prosperity and development of the socialist fatherland by cherishing national pride.

Journalists and men of the press should vigorously carry out publication and information activities to actively support and popularize the communist fine custom, which has been highly displayed among our people, and should make the whole society overflow with beautiful acts of dedicating everything to society and to the group with warm comradely love and humanity and of working and living conscientiously.

By carrying out active publication and information activities for socialist economic (and cultural) construction, journalists and men of the press should make an even greater contribution by accelerating the intellectualization of the entire society and putting the national economy on a *chuche*-oriented, modern, and scientific basis. They should also implement more excellently their role as vanguards of agitation and propaganda, who vigorously drive party members and working people to the struggle to fulfill the party's revolutionary economic strategies successfully and create the speed of general onward march of socialism of our own style.

Journalists and men of the press should intensify publication and information propaganda to vigorously encourage all fellow countrymen in the North, the South, and overseas to launch as one into the struggle for the fatherland's reunification, united firmly under the banner of national independence, upholding the "10-Point Program of the Great Unity of the Whole Nation for the Reunification of the Fatherland," which the great leader Comrade Kim Il-song presented. By intensifying the propaganda, they should also actively support and encourage the South Korean people's struggle for independence, democracy, and reunification.

Upholding the banner of independence, peace, and friendship, reporters and journalists should vigorously carry out press activities to intensify the international solidarity for our revolution, to deter and destroy imperialists' aggression and war maneuvers, and to accelerate achieving an independent world.

Journalists and men of the press should firmly arm themselves with our party's ideologies and theories on publication and press and intensify their publication and information activities, so as to constantly enhance the journalists' leading function and role.

Journalists and men of the press, sentry guards of the party's [word indistinct] who contribute to the party and the revolution with their literary activities, should firmly arm themselves with our party's *chuche* idea and strengthen the revolutionary [word indistinct] so that they may make [word indistinct] revolutionary and working-class. They should remarkably elevate their political, theoretical, and revolutionary qualities in

accordance with the demand of the developing reality, so that they will produce better and modern writings and publications that run with the party's intent and win the love of the masses.

Journalists and men of the press should oppose [word indistinct], (?modes), imitation, and exaggeration as well as eliminate formalism in writing and publishing works. Being always righteous, they should produce substantial and fresh articles and publications based on vivid materials, and thereby guarantee publications and information materials to be true, scientific, and [word indistinct].

Journalists and men of the press should always write articles and produce publications like war correspondents who worked during the fatherland liberation war. They should get the grip with realities in which innovations are created, and actively carry out information and propaganda work to arouse the producing masses to the struggle to implement the party's policies.

All publication and press functionaries should deeply be aware of their responsibility and duty to enhance the role of publication and press, manage editors well, constantly improve publication work in accordance with the party's intent and with the demand of the reality, and lead well journalists and men of the press to produce good articles and publications by showing personal examples.

The Journalists Union, an organization for ideological indoctrination of journalists and men of the press, should carry out indoctrination and [word indistinct] work in an orderly way among journalists and men of the press, while performing its primary duty to protect and defend the party's achievements and tradition in the sector of publication and press, and thereby help journalists and men of the press fulfill their honorable mission as protectors and consummators of the party's policies.

Party organizations in publication and press institutes should establish the party's unitary leadership system more thoroughly among journalists and men of the press, and thereby make them think and act only according to the party's ideology and intent whenever and wherever they are, and make them work and live in a revolutionary way, with strong organizational spirit and disciplined character.

The WPK Central Committee believes firmly that all journalists and men of the press will excellently fulfill their mission and responsibility for the times, by making a new turning point with single-hearted unity under the banner of the chuche idea and the banner of the three revolutions—ideological, technological, and cultural.

[Signed] The WPK Central Committee

[Dated] 17 November 1993

Attendees at Opening Listed

SK1711152493 *Pyongyang KCNA in English 1508*
GMT 17 Nov 93

[Text] Pyongyang, November 17 (KCNA)—The Seventh Congress of the Korean Journalists Union [KJU] opened here today with a large attendance.

The congress will sum up the achievements made in the work of the KJU and in publication and information services during the reviewing period under the wise guidance of the party and the leader, and discuss militant tasks facing journalists and pressmen in resolutely defending the party and the cause of socialism and successfully carrying it out in the van.

Placed on the platform of the congress hall was a portrait of the great leader President Kim Il-song.

Present at the congress were Kang Song-san, Politburo member on the Central Committee of the Workers' Party of Korea [WPK] and premier of the Administration Council; Choe Kwang, Politburo member of the WPK Central Committee and chief of the General Staff of the Korean People's Army; Kye Ung-tae, Politburo member and secretary of the WPK Central Committee; Kim Ki-nam, secretary of the WPK Central Committee; and delegates and observers.

A former war correspondent of the Korean People's Army, Yi In-mo, the incarnation of faith and will, was also present.

The congress was attended by the members of a delegation of journalists of the General Association of Korean Residents in Japan (Chongnyon) led by Choe U-kyun, editor-in-chief of CHOSON SINBO.

Following are the items on the agenda of the congress:

1. On the work of the Central Committee of the Korean Journalists Union
2. On the amendment to the rules of KJU
3. On the election of the central leadership body of KJU

A congratulatory message of the WPK Central Committee to the congress was read out there by Premier Kang Song-san.

Congratulatory messages and letters from national journalists organizations of different countries and international organizations and from domestic public organizations, scientific, educational and cultural institutions, industrial establishments and co-op farm were introduced at the congress.

Hyon Chun-kuk, chairman of the KJU Central Committee, delivered a report on the first agenda item under the headline "Let us become the vanguard on the ideological front loyal to the party and the cause of socialism".

A congratulatory group of the Korean Children's Union entered the hall and recited a congratulatory message addressed to the congress.

Speeches were made on the first agenda item there.

The congress continues.

Yi In-mo Meets Journalists

*SK1711233293 Pyongyang KCNA in English 1514
GMT 17 Nov 93*

[Text] Pyongyang, November 17 (KCNA)—The incarnation of faith and will, Yi In-mo, a former war correspondent of the Korean People's Army, participating in the seventh congress of the Korean Journalists Union November 17, met with delegates to the congress at the people's palace of culture, the venue of the congress.

The delegates noted with appreciation that comrade Yi In-mo fought resolutely in defence of his revolutionary principle, not yielding to tortures and brutal persecution in prison for 34 years after being arrested by the enemy while active as a war correspondent of the Korean People's Army during the great fatherland liberation war. They said the journalists were encouraged by the heroic feats of Comrade Yi In-mo who had made a great contribution to educating the people in a revolutionary way by writing lengthy notes to glorify the exploits of his comrades-in-arms and expose to the whole world the inhumane atrocities of the enemy. They noted that they have registered him as an honorary journalist and are effecting innovations in publication and information services.

Yi In-mo emotionally recalled his activities as a war correspondent in Mt. Chiri of South Korea.

"The duty of a journalist itself is very important," he said, adding that a journalist can properly discharge his duty as journalist when he always writes more and better articles for the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il in both ordinary and difficult time.

"I too will make efforts to write articles helpful to the education of youth and children," he said.

Second Day of Congress Reported

*SK1811123293 Pyongyang KCNA in English 1031
GMT 18 Nov 93*

[Text] Pyongyang, November 18 (KCNA)—The second-day session of the Seventh Congress of the Korean Journalists Union was held today.

Debate on the first item "on the work of the Central Committee of the Korean Journalists Union" took place Wednesday afternoon and today.

The floor was taken by deputy editor-in-chief of NODONG SINMUN Kang Tok-so, journalist of the Korean People's Army newspaper Pak Yong-chol, chief

revisor of the foreign languages press group U Chong-hwan, General Director of the Korean Central News Agency Kim Ki-yong, Chairman of the DPRK radio and TV broadcasting committee Chong Ha-chol, journalist of KANGWON ILBO Song Myong-yong, editor-in-chief of MINJU CHOSON Kim Chong-suk, journalist of the South Hamgyong provincial radio broadcasting committee Pak Song-pong and many other delegates.

The speakers said that the congress would be a meeting of singlehearted unity which demonstrates the revolutionary traits of the journalists, men of the press vigorously advancing with the pen of *chuche* and that they were full of confidence and the revolutionary resolution to provide an occasion of a new turn in the building of mass media.

They said it was great glory and pride for the men of the press that the dear leader Comrade Kim Chong-il had shown deep interest in the preparations of the congress and sent a congratulatory message of the Central Committee of the Workers' Party of Korea [WPK] to the congress.

Referring to the achievements made in the building of our-style revolutionary media under the wise guidance and deep loving care of the dear leader, they expressed their determination to fully discharge the true ideological standardbearers of the WPK by invigorating the efforts for revolutionizing newspapers, news services and publications.

Editor-in-chief of CHOSON SINBO Choe U-kyun, head of the delegation of journalists of the General Association of Korean Residents in Japan (Chongnyon), delivered a congratulatory address.

The congress continues.

Meetings to Nominate Assembly Candidates End

*SK1811090393 Pyongyang Korean Central
Broadcasting Network in Korean 1200 GMT 17 Nov 93*

[Text] Meetings of voters at constituencies for the election of deputies to the provincial and municipal People's Assemblies ended throughout the country from 10 to 17 November. The voters' meetings were held successfully amid the high political enthusiasm of voters determined to defend and glorify the socialist cause of *chuche* by consolidating as firm as a rock their revolutionary power, closely rallied around the party and the leader.

The voters once again felt deep in their hearts the superiority and vitality of our country's socialist system in which the popular masses become masters of the country and are assured of true political rights and freedom. Embracing pride and dignity of being citizens of the *chuche* fatherland, the voters at constituencies nominated candidates.

Workers, peasants, soldiers and intellectuals who are devotedly working for the country, the people, and the revolutionary power of Korea with unfailing loyalty to

the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, were nominated as candidates for the deputies to the provincial and municipal People's Assemblies amid the unquestioned support and approval of voters at the meetings.

KCNA Reports Further on Meetings

SK1811064993 Pyongyang KCNA in English 0426 GMT 18 Nov 93

[Text] Pyongyang, November 18 (KCNA)—Meetings of voters at the constituencies for the election of deputies to the provincial (municipal) people's assemblies scheduled for Nov. 21 closed throughout the country (from Nov. 10-17).

The meetings were held amid the high political enthusiasm of voters determined to defend and glorify the socialist cause of *chuche* by consolidating as firm as a rock their revolutionary power, closely rallied around the party and the leader.

Workers, peasants, soldiers and intellectuals who are devotedly working for the country, the people and the revolutionary power of Korea with unfailing loyalty to the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il, were nominated candidates amid the unquestioned support and approval by voters at the meetings.

Account Settlement, Distribution Meeting Noted

SK1711071893 Pyongyang Korean Central Broadcasting Network in Korean 0700 GMT 14 Nov 93

[Text] The annual account settlement and income distribution meeting of the Oeso cooperative farm in Kaechon city is being held. The Oeso cooperative farm, which has achieved an unprecedented bumper crop under the wise leadership of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, is seething with the joy of doing proud account settlement and income distribution from early morning. The account settlement and income distribution meeting site, where stacks of grains piled up high and five-colored flags and various other decorations symbolizing a bumper year are seen, draws people's attention.

Members of the cooperative farm, who have gathered at the account settlement and income distribution site, filled with a festive mood, are overwhelmed with the joy of a bumper year, and they are dancing.

The faces of young people dancing, striking drums and gongs, and elder people performing the shoulder dance to the drums and gongs are overflowing with the joy of having achieved an unprecedented bumper year in this land of glory, a place where the great leader and the dear comrade leader have visited a number of times. Their faces are also filled with their dignity of being the masters of a cooperative farm that has been prosperous under the banner of the socialist rural theses.

Members of this cooperative farm are well aware of how the epochal changes have materialized in this land—namely, mechanized farming and farming with chemicals—have been provided and what has caused the bumper crop achieved in Oeso-ri this year. Recalling with deep emotion the party's benevolent love given on this land, where a cataclysmic change has been effected by members of the cooperative farm, cannot repress their seething emotion.

We met a cooperative farm member, who was filled with the joy of receiving an abundant distribution today.

[Begin recording] [Unidentified reporter] May I ask your name?

[Cooperative farm member Kim] My name is Kim Tae-ryon.

[Reporter] You are happy today, are you not?

[Kim] Yes, I am happy today. We have achieved an unprecedented bumper crop this year. Our farm members are also happy today. In the work team I belong to, some fields yielded over nine tonnes of rice each, and there are many fields where over 11 tonnes of corn were harvested. Do you see that high stack of grain? Our cooperative farm members' joy is that much. All of this is thanks to the benevolent virtue of the great leader and the dear comrade leader. Apart from this we cannot think of anything else but today's joy. You see our cooperative farm members, who are to receive abundant grain distribution today, dancing there. [end recording]

Yes, they are indeed happy today. The great leader personally visited Oeso-ri 12 times, encouraged sub-work teams and work teams of the cooperative farm, and taught in detail our cooperative farm members about crop arrangement and farm work. On a particular year he personally helped a young woman tractor operator in Oeso-ri in making her tractor's engine start by pulling that tractor with his own car. Thanks to such love and benevolent virtue of the great leader Oeso-ri has enjoyed a bumper year annually. This year the land of Oeso-ri has achieved an unprecedented bumper crop. It is natural, therefore, that members of the cooperative farm in the land of Oeso-ri are filled with great joy.

The dear leader Comrade Kim Chong-il has indicated: Doing farm work thoroughly in conformity with the demands of *chuche* farm methods as taught by the leader is the only way to constantly increase agricultural production.

The land of Oeso-ri is associated with the dear comrade leader's benevolent love. The dear comrade leader has personally visited Oeso-ri twice thus far. He acquainted himself with the situation of the farm and recognized members of the Oeso cooperative farm for having built farm villages properly. In particular, this year he provided members of the cooperative farm with the benevolence of sending numerous farm machinery and materials needed for farming so that they can do farming in

conformity with the *chuche* farm method. Amid this benevolent love, the Oeso cooperative farm this year produced 400 kilograms more rice per *chongbo* [one *chongbo* is 2.45 acres] and 2.7 tonnes more corn per *chongbo* compared to last year, thus achieving the proud success of producing some 1,000 tonnes of grain over last year.

The members of the Oeso cooperative farms, who are now dancing in the annual account settlement and income distribution site, cherishing this proud success, are filled with the infinite feelings of gratitude toward the great leader and the dear comrade leader who have provided the joy of this year's bumper crop.

Comrade So Yun-sok, member of the Workers Party of Korea [WPK] Central Committee Political Bureau, responsible secretary of South Pyongan provincial party committee, and chairman of South Pyongan Provincial People's Committee; and functionaries concerned attended the account settlement and income distribution meeting with members of the cooperative farm.

At the meeting Ku Ok-hui, chairman of the management committee of the cooperative farm, made this year's summing-up report.

[Begin recording] Comrades: At a historic time when all the people throughout the country are filled to overflowing with the lofty revolutionary zeal to firmly deepen our revolutionary sovereignty and to demonstrate once again the grand appearance of socialism of our own style which is firmly rallied as one mind around the party and the leader [suryong] we are having a meeting today for the 1993 annual account settlement and income distribution with the dignity of having achieved a bumper crop under the wise leadership of the great leader and the dear comrade leader and amid their benevolent love.

It is a great glory to live and to farm in the land alone where the great leader visited as many as 12 times and where the dear comrade leader's (?footprint) dwells in our minds. Moreover, all of our agricultural workers who have received concrete teachings and guidance at every farming process this year have unstintedly displayed loyalty and filial devotion to the party and the leader with the success of agricultural production. As a result, great progress has been made in implementing the task elucidated in the rural theses under the banner of the three revolutions—ideological, technological, and cultural; a bumper crop which is unprecedented in Oeso has been achieved; and the state's grain production plan has been over fulfilled by 5 percent.

This year, greeting the 20th anniversary of the great leader's 2 December 1973 on-the-spot guidance to the Oeso cooperative farm and the 40th anniversary of the victory in the fatherland liberation war all party members and members of the cooperative farm carried out all farm work in conformity with the demands of the *chuche* farm method and, as a result, produced 8,106 kilograms of rice per *chongbo*, 8,207 kg of corn per *chongbo*, and increased the production of vegetables by 8 percent,

meat by 12 percent, fruit by 3 percent, tobacco by 14 percent, and silkworm by 1 percent.

All functionaries in the cooperative farm mingled with cooperative farm members, carried out political work and economic and organizational work among them in order to make them the genuine masters of the farm, and, as a result, carried out all farming processes 15 days ahead of schedule. Thus, they registered the success of producing 20 tonnes of grain crops more than the previous year. [end recording]

The reporter continued to stress the need to significantly greet the 30th anniversary of the publication of the socialist rural theses with high political zeal and brilliant labor success and noted the militant tasks to vigorously accelerate farm preparations for next year.

Following this, an account settlement and income distribution was conducted at the meeting. Following the account settlement and income distribution, discussions were carried out.

After the account settlement and income distribution ended, people began dancing to a farmers' folk band. Seen among the people dancing were Kim Chong-puk, Choe Sang-pun, and Chong Ki-kwon who received highest distribution. The joy which is overflowing in the dancing place is precisely the joy and happiness of our farmers.

[Begin recording] [Unidentified reporter] You have received a lot of income distribution today, haven't you?

[Unidentified farmer] Yes, I did. I am very happy. Our cooperative farm members, including myself, have received this year distribution of 1.4 percent of grain crops over the previous year and [words indistinct]. They are now very happy. [passages indistinct]. We will make all efforts to do better farming next year. [end recording]

Talk Stresses Ideological Indoctrination

*SK1711091993 Pyongyang Korean Central
Broadcasting Network in Korean 0600 GMT 16 Nov 93*

[Unattributed "talk": "The Most Important Matter in Modeling the Entire Society on the *Chuche* Idea" from the "The Ray of *Chuche*" program]

[Text] The dear leader Comrade Kim Chong-il put forth an original idea and theory on modeling the entire society on the *chuche* idea and proclaimed anew that the most important matter in this work is to make all members of society *chuche*-type communist revolutionaries.

Indoctrinating and remaking all members of society into true *chuche*-type communist revolutionaries is the most important matter in modeling the entire society on the *chuche* idea, because this is, above all, a work of bringing up people, the masters of the revolution and construction, to be completely independent and creative beings.

The dear leader Comrade Kim Chong-il has noted: The popular masses are the masters of the revolution and construction, who are the decisive factors for reshaping nature and developing a society.

The ultimate objective of modeling the entire society on the *chuche* idea is to build a communist society, mankind's foremost ideal, and completely realize the independence of people, the working popular masses. To completely realize the independence of the working popular masses, we should, above all, thoroughly transform people into independent and creative beings, because people, the popular masses, are the masters of the revolution and construction and the masters of nature and society, and because the popular masses are those directly charged with the work of reshaping nature and society and are the creators of history.

We cannot mention the victory of the revolution and construction apart from the popular masses, nor can we think of the construction of a communist society in which independence is completely realized. To bring up the popular masses to be completely independent and creative beings, we should remake their ideological consciousness. In other words, we should liberate people from the bonds of all sorts of old ideology and let them have independent ideological consciousness. Old ideology is the fundamental factor which tramples upon and binds people's independence and creativity.

People should have independent and creative ideological consciousness freeing themselves ultimately from the bonds of old ideology so that they can achieve complete ideological and spiritual liberation and comprehensively equip themselves with the independent people's ideological and spiritual traits.

Of course, it is important, in realizing people's independence and creativity, to remake all the areas of social life and satisfactorily ensure independent and creative living conditions. However, even though all areas of social life are splendidly remade in a communist manner, people cannot fully enjoy an independent and creative life if they are not completely free from the bonds of old ideology and fail to have independent ideological consciousness. Therefore, it is the most important matter in modeling the entire society on the *chuche* idea to thoroughly transform all members of society as demanded by the *chuche* idea and let them comprehensively equip themselves with true communist revolutionary's ideological and spiritual traits and qualities.

To indoctrinate and remake all members of society into true *chuche*-type communist revolutionaries is the most important matter in modeling the entire society on the *chuche* idea, because transforming people's ideological consciousness by thoroughly modeling them on the revolution and the *chuche* idea is a decisive guarantee for transforming all areas of society as demanded by the *chuche* idea.

To realize the cause of modeling the entire society on the *chuche* idea, it is necessary not only to make people true

chuche-type communist revolutionaries but to thoroughly reshape all areas of society as demanded by the *chuche* idea. To realize this important task, we should model people thoroughly on the revolution and the *chuche* idea to reshape their ideological consciousness. This is connected with the decisive role people's ideological consciousness plays in the work of remaking nature and society, the revolutionary struggle, and construction. As the dear comrade leader elucidated, in the revolutionary struggle and construction work, people's ideology is the foundation, and people's ideology determines everything. The ideology people have determines the success in the work of changing and reshaping nature and society, and determines the victory of the revolution and construction.

When people are ideologically roused with revolutionary ideology, all problems arising in the remaking and changing nature and society will be solved, and the revolution and construction will be pushed forward vigorously. Therefore, to accelerate the work of remolding all areas of society, including economy and culture, as demanded by the *chuche* idea, we should solve the problem of remolding people's ideological consciousness in a revolutionary manner—the problem of remaking man, the problem of modeling them on the revolution and *chuche* idea—should be solved in the first place.

We should model people on the revolution and the *chuche* idea, rouse their ideology, and make them display a high degree of revolutionary enthusiasm so that we may vigorously accelerate the work of remolding all areas of social life, including economy and culture, as demanded by the *chuche* idea. This is one of the reasons why bringing up people to be true *chuche*-type communist revolutionaries is the most important problem in modeling the entire society on the *chuche* idea.

Bringing up people to be true *chuche*-type communist revolutionaries is the most important problem in modeling the entire society on the *chuche* idea, because the work of reshaping man is the most difficult and complicated work. The work of reshaping people's ideological consciousness is far more complicated and difficult work than the work of remaking a social system and developing technology. It is connected with the characteristic of people's ideological consciousness and its reshaping. The remnants of old ideology that remain in the people's mind are deep-rooted, having been formed through a long historical process. They are very persistent and conservative. Even if the material conditions of social life change, old ideology and old habits remain long. Therefore, the work of reshaping people's consciousness is more difficult and complicated than remaking and changing nature and society. It is all the more difficult because the work of making all members of society true *chuche*-type communist revolutionaries is the ideology-reshaping work that contains the highest demand for ultimately eliminating all the remains of old ideology in people's consciousness and arming them with communist ideology, the great *chuche* idea.

Under these conditions, if we neglect the work of remaking man to reshape people's ideology and bring them up to be true communist revolutionaries, we cannot successfully build socialism and communism and could lose even the gains of the revolution we have already achieved. Thus, reshaping people's ideology thoroughly and making them true chuche-type communists are the most important problems and a decisive guarantee to thoroughly reshape all areas of society as demanded by the chuche idea and successfully realize the cause of modeling the entire society on the chuche idea.

South Korea

Daily Previews NAFTA's Effects on Exports

SK1811113793 Seoul CHUNGANG ILBO in Korean
18 Nov 93 p 3

[Article by reporter Kim Il: "How Will the ROK Be Affected?"]

[Text] The U.S. Congress will likely ratify the North American Free Trade Agreement [NAFTA] bill on 18 November. If the agreement is ratified, our export industry will be seriously affected.

Although NAFTA must also be ratified by the U.S. Senate and Canada may ask for its revision, it is almost certain that NAFTA will pass without serious difficulties and be in effect by next 1 January. As a result, the United States, Canada, and Mexico will become a free trade zone without mutual tariffs.

NAFTA is a system under which advanced countries and a developing country within the area will mutually supplement their competitiveness for the first time in history. Therefore, this system will exert great influence on the world trade structure. Besides, it will also affect our medium- and long-range exports to three North American countries that are our major markets, sharing 26 percent of our overall exports.

Mexico is similar to our country in terms of industrial structure and export items to the United States. Thus, there is concern that Mexico may possibly encroach on our North American markets. Mexico is presently competing with us in the U.S. markets for 24 major products.

The NAFTA system is designed to encourage foreign enterprises within the zone to use parts produced from this sphere. As a result, it is likely that investment in Mexico by the United States, Europe, Japan and the like will be accelerated. Mexico will then rise as a state with technological competitiveness and will threaten us, because Mexico's labor power—with wages amounting to only one-seventh of those in the United States—and abundant natural resources will be combined with U.S. technology and capital and the like.

This being the case, from the medium- and long-range point of view, Mexico will become our major rival country not only in U.S. markets but also worldwide.

Our industry will see the short-range effects of NAFTA on those items in which the United States will annul Mexico's current tariffs beginning next year.

A setback is expected in our exports to the United States of household electric appliances, clothing, cars, and auto parts because Mexico will export them under the Generalized System of Preference with NAFTA.

These items stand at nearly one-third of our country's overall exports to the United States amounting to \$5.1 billion last year.

The United States imposes 17 to 18 percent tariff on imported clothes; 5 percent on television sets, and 2.5 percent on cars. However, only Mexico and Canada will be exempted from the tariff. As a result, they will gain great competitive power in terms of price.

According to the Industrial Research Institute, the areas in which our country must compete with Mexico and Canada for the export of products to the United States from the medium-range point of view are household electric appliances, semi-conductors, computers, communications equipment, cars, and clothes.

Research results indicate that Mexico will have the same competitive power than ours in these areas within five years.

In particular, as for the field of household electric appliances, the export of large-size color television sets, a high value-added product whose export to the United States is increasing, will be seriously affected.

The United States will likely increase the production of semiconductors in Mexico and intensify antidumping measures against countries outside the zone. As a result, these countries will be greatly affected by NAFTA.

U.S. computer technology has been transferred to Mexico and, in turn, Mexico exports computer parts and partly-finished products to the United States. When its structure is turned into that of exporter of finished products, Mexico will also become our powerful rival in this field.

There is a possibility that Mexico will strengthen its communications equipment industry, whose international competitiveness is increasing with each passing day, by inducing foreign capitals and technology. As a result, the production of communications equipment will increase, thus encroaching on our share.

In the field of clothes, tariff and nontariff barriers on Mexican-made clothes will be removed and, as a result, we will be placed in a disadvantageous position. As far as cars are concerned, the agreement urges the field plants to use over 50 percent of parts produced in North

America. As the result of this, Hyundai Motor Company's field plant in Canada and the like will be seriously affected.

On the other hand, NAFTA has positive sides. In other words, NAFTA will provide countries outside the zone with opportunities for export by revitalizing the North American economy. NAFTA will also help reduce the expenses for exports by attaining unified standards within the zone.

Concerning this, Han Yong-su, director general of the Trade Cooperation Bureau in the Ministry of Commerce, Industry, and Resources, said: In a bid to cope with intensified regulations for the protection of products from the place of origin, our large business groups should advance to North America jointly with parts manufacturers. For this, the government plans to work out medium- and long-range policies to cope with NAFTA, including the completion of an investment guarantee treaty with Mexico.

Regarding NAFTA as a system designed to bind the entire North American Continent into a free trade zone, the government decided to work out an investment strategy not only for North America but also for Central and South America.

Ramifications of NAFTA Ratification Viewed

*SK1811083193 Seoul YONHAP in English 0807 GMT
18 Nov 93*

[By So Hae-sung: "NAFTA Ratification: Happy News for GATT, Extra Worries for Seoul"]

[Text] Seoul, Nov. 18 (YONHAP)—The fate of the Uruguay Round [UR] global trade accord looks brighter and clear with Wednesday's passage of the North American Free Trade Agreement (NAFTA).

Having won approval from the U.S. Congress, the world's biggest trade pact, embracing the United States, Canada and Mexico, will take effect Jan. 1 next year after making its way through the Senate, which is likely to pose no problem.

The NAFTA showdown was the center of attention not only for 360 million North Americans but for the world because of its effect on conclusion of the Uruguay Round negotiations, which have an imposing Dec. 15 deadline.

Some experts had predicted an 80-percent likelihood of UR success by the year-end with congressional approval of NAFTA, and a 40-percent chance with the defeat of NAFTA.

This is because ratification of NAFTA in some ways means defeat for the protectionists and victory for the champions of free trade.

As a result, U.S. President Bill Clinton will be sitting down at the Asia-Pacific Economic Cooperation (APEC)

leaders' forum on Sunday with a bigger smile and a bolder voice for liberalization.

In time with NAFTA's passage in Congress, 116 countries are busy spelling out their terms and commitments to the General Agreement on Tariffs and Trade (GATT) administered UR talks with time fast running out.

Despite seven years of bargaining, much remains to be done to untangle the complications and disagreement over the global treaty, which is certain to revamp the world economy, before next month's deadline.

Korea is likely to suffer from the birth of the North American trade bloc and from the heavier pressure to open up in the UR negotiations, experts say.

It is close to desperation in trying to hold on to its rice market despite the read-my-lips "no exception" to agricultural opening warning by Geneva, Brussels, and Washington officials.

Seoul, so far firm on its position that its rice market is off limits to any form of opening, wants no minimum market access, nor tariffication. Some question how long the government can keep on saying no to the advanced countries.

The negotiating officials have argued that the Korean farming industry will collapse under the invasion of rice from the United States and EC, but they admit that their explanations fall on deaf ears when they are talking to their counterparts from major negotiating countries.

Washington officials point out that there are more than 50 countries with agricultural commitments to the global treaty and they all say they have their troubles and market uniqueness, therefore Korea cannot be an exception because it will effect a line of exceptions.

There are more than 100 agricultural items that negotiating countries maintain that they cannot open up by tariffication.

Among them are 15 non-trade concerns: Rice (Korea), rice and dairy goods (Japan), dairy goods and chicken (Canada), corn and horse beans (Mexico), dairy products (Switzerland).

Other countries, Japan included, are poised to soften and open through tariffication with years of suspension, and opposition to tariffication pressure is said to have become feeble compared to Korea and Japan.

The biggest stumbling block to the UR agricultural conclusion is the row over government subsidies between the United States and the EC, and with its removal all critical eyes will be on Japan and Korea and their rice markets.

The Korean Government will have a lonely and vain fight against advanced countries if Tokyo, as expected, announces a rice opening policy soon.

It is a "miserable state," an agricultural official says of the dilemma created by the inevitability of rice opening and absolute "no" from a majority of Koreans.

Government, Business on Anti-NAFTA Measures

SK1811144893 Seoul KBS-1 Television Network in Korean 1217 GMT 18 Nov 93

[Text] When the North American Free Trade Agreement [NAFTA] approved by the U.S. Congress comes into effect, our firms in the spheres of automobiles, electronic products, and textiles, will feel the pressure immediately.

The government held a conference to discuss the measures to cope with this situation.

During the first conference to discuss measures against NAFTA, after it was passed by the U.S. Congress, the government decided to create special countermeasure teams in four areas: automobiles, fabrics, clothes, and daily necessities. These exports will face serious difficulties immediately. The government also decided to drastically intensify diplomatic trade activities in North America.

[Begin recording of Han Yong-su, director general of the Trade Cooperation Bureau at the Ministry of Commerce and Industry] It is an urgent mission to intensify activities for trade negotiations. We will review how overseas investments are made most effectively in each field. For this, we will simplify the procedure for overseas investments. We have already secured funds for overseas investments. I think it is important to increase the funds. [end recording]

Domestic enterprises, which accepted the passage of NAFTA as a fact, have started to work on new measures amid a relatively calm atmosphere.

The Hyundai Motor Company, which has a plant in Canada, considers that immediate losses caused by stiffer regulations on the place of origin will not be very great. This company is making efforts to work out long-range measures.

[Begin recording of Pae Chong-tok, head of Hyundai's team in charge of North American affairs] We have a field plant in Canada. We intend to work out measures to cope with NAFTA using this plant. [end recording]

However, some business groups specializing in textiles think that their exports will suffer a great deal starting next year, and are rushing to work out countermeasures.

[Begin recording of Yi Yong-kwon, chief of the Development Department of the Sunkong Group] Based on the result of our research of Mexican and NAFTA markets, we will expedite the advance toward this area. [end recording]

In view of the fact that NAFTA, which advocates free trade, excludes foreign enterprises—including us—with its tariffs and regulations on the place of origin, people

point out that large business groups and parts manufacturers should advance jointly and that an investment guarantee agreement with Mexico should be concluded at an early date.

Kim Yong-sam Arrives in U.S., Meets Governor

SK1811011793 Seoul YONHAP in English 0041 GMT 18 Nov 93

[Text] Los Angeles, Nov. 17 (YONHAP)—President Kim Yong-sam arrived in Los Angeles on Wednesday to begin a nine-day visit to the United States that will include a summit with his host, U.S. President Bill Clinton.

Accompanied by First Lady Son Myong-sun, the president was met aboard his special plane by Korean Ambassador to Washington Han Sung-su, Consul-General in Los Angeles Kim Hang-kyong and the Los Angeles city protocol officer.

Some 300 Koreans, waving Korean national flags, welcomed the president and the first lady. They also waved placards that proclaimed: "President Kim Yong-sam of the Asia-Pacific Age," "Our President Who Opened the Civilian Era in Korea," and "We Are Proud of Progress in Our Country."

President Kim was officially welcomed by the mayor of Los Angeles in a 10-minute ceremony. He shook hands with some Korean-Americans before leaving for Century Plaza Hotel in a motorcade escorted by squads of police patrol cars.

Presidential aides said Kim had not shown any sign of fatigue during the 11-hour, five-minute flight from Seoul.

Earlier, about 10 minutes after the plane took off from Seoul airport, the president came to the back of the plane and shook hands with officials who were accompanying him and reporters.

He then went into the cockpit and talked to Captain Kim Sang-nok about flight procedures.

Shortly after his arrival at Century Plaza Hotel, President Kim received California Gov. Pete Wilson.

The president told Wilson that he had worried about the big mountain fires that swept Southern California recently.

"Although there have been some losses of life and property damage, it's fortunate they were brought under control quickly," Kim said.

Wilson thanked Kim for his concern and said he felt ashamed of the rioting in the city last year.

"But that incident became an ultimate turning point for harmonious relations between the Korean and other communities in the city," Wilson said.

Kim agreed, saying that it was indeed an unfortunate incident. The president said he hoped that Koreans in the United States adapt to American society and live harmoniously with other peoples as U.S. citizens.

Wilson pointed out that President Kim is very popular in the Korean community in California. If he could make such remarks to the Korean-Americans, he could have a great effect on them, he said.

Wilson told the president that he plans to visit Seoul on Nov. 24-25 in order to boost economic relations between his state and South Korea.

Labor Union Files Complaint Against AmCham

SK1711134293 Seoul THE KOREA HERALD in English 17 Nov 93 pp 8, 9

[Text] The labor union at Citibank's Seoul branch filed a complaint yesterday with the prosecution against AmCham (the American Chamber of Commerce) on charges of violating a law banning third party involvement in a labor dispute.

In the complaint, the union alleged that AmCham pressured the Economic Planning Board to intervene during a labor dispute at Citibank.

AmCham also Nov. 1 circulated a press release to the news media, saying, "Involuntary imposition of the employee welfare fund will send an extremely negative signal to existing foreign investors and those foreign companies considering investment or transfer of technology to Korea," while the issue was submitted to a government-appointed arbitration panel, the union alleged.

The union also claimed that the Foreign Bankers Group exercised "unlawfully" influence on the ruling process of the panel by handing out another press release to the media saying that foreign companies were reconsidering investment plans in Korea, because of high wages and unpredictable labor strikes.

The panel Nov. 9 made a binding rule on the case, virtually putting to an end the 57-day strike.

However, there is a possibility that the dispute might be reignited, largely because of the panel's "unclear" ruling on the creation of an employee welfare fund which had been at the center of the labor dispute.

DPRK Deadline Said Less Than Few Months Away

SK1811000493 Seoul YONHAP in English 2356 GMT 17 Nov 93

[Text] Seattle, Nov. 17 (YONHAP)—South Korean Foreign Minister Han Sung-chu said on Wednesday that a deadline on the North Korean nuclear problem is less than a few months away.

Han, in Seattle to attend the fifth conference of the Asia-Pacific Economic Cooperation (APEC), warned in an interview with THE SEATTLE POST INTELLIGENCER that North Korea does not have unlimited time.

Seoul doesn't believe the confrontational situation can continue for months, he said.

The latest reports from Washington say that U.S. President Bill Clinton's security advisers have recommended that he cancel the South Korea-U.S. annual joint military exercise "Team Spirit" if North Korea agrees to immediate nuclear inspections.

The reports say that the deadline is February since Team Spirit is usually held in the spring.

The foreign minister said China's role is positive in solving the North Korean nuclear situation, and he called Beijing very cooperative.

China does not want Pyongyang to develop nuclear weapons or want it to be suspected of such development, he said.

Ministry Denies U.S. Policy Change on DPRK

SK1811032093 Seoul YONHAP in English 0209 GMT 18 Nov 93

[Text] Seoul, Nov. 18 (YONHAP)—The Foreign Ministry denied Thursday reports that Washington has made an unilateral change in its handling of the North Korean nuclear situation.

"What is being reported is completely different from what is going on at present," Assistant Foreign Minister Shin Ki-bok told reporters.

The latest stories from Washington say that U.S. President Bill Clinton may spell out various incentives to make North Korea accept nuclear inspections in a policy change accenting a package solution instead of demanding concessions from Pyongyang first.

"It's inconceivable that the United States would make a policy switch without us knowing about it," he said.

The Seoul-Washington goal and approach to the North Korean nuclear problem is in harmony, and the two countries maintain close consultative, cooperative relations, he said.

"Unless North Korea changes its attitude, it will not be able to see the developments that it wants to see," Shin said.

'Nuclear Ambassador' Denies U.S. Package Deal

SK1811105393 Seoul KBS-1 Radio Network in Korean 1020 GMT 18 Nov 93

[Text] Kim Sam-hun, ambassador of nuclear affairs in the ROK Foreign Ministry, today said that some foreign

news reports stating that the United States has worked out a new plan for negotiations with North Korea, including a package solution, are not true.

In a meeting with reporters today, Ambassador Kim Sam-sun, who is in Seattle to attend the Asian-Pacific Economic Cooperation cabinet meeting, revealed that the ROK and the United States have not decided so far on countermeasures [taeungchaek] for the solution of the North Korean nuclear issue. He stressed that there is no change whatsoever in the existing position of the ROK and the United States that only when progress is made in North Korea's negotiations with the International Atomic Energy Agency for nuclear inspections and in the North-South dialogue, can the third round of U.S.-North Korea high-level talks be considered.

Officials Deny Team Spirit Cancellation

SK1811024493 Seoul YONHAP in English 0224 GMT
18 Nov 93

[Text] Los Angeles, Nov. 17 (YONHAP)—South Korean officials accompanying President Kim Yong-sam have denied press reports Wednesday that Seoul and Washington will soon announce the cancellation of next year's "Team Spirit" military exercise.

"It's different from the truth," said a ranking official traveling with Kim to attend the Asia-Pacific Economic Cooperation (APEC) leaders conference. "You will know when you see the results of the South Korea-U.S. summit Nov. 23."

Seoul and Washington will not announce Team Spirit cancellation before North Korea promises to accept nuclear inspections, he said.

Senior Official on Study of Team Spirit Issue

SK1811104293 Seoul YONHAP in English 1017 GMT
18 Nov 93

[Text] Los Angeles, Nov. 17 (YONHAP)—South Korea and the United States will study suspension of the '94 Team Spirit military exercise if North Korea accepts nuclear inspections and agrees to the exchange of special envoys between the two Koreas to discuss mutual nuclear inspections, a senior South Korean Government official said here on Wednesday afternoon.

The official who is accompanying President Kim Yong-sam to his current visit to the U.S., denied as "not factual" the recent WASHINGTON POST report that South Korea and the United States would first announce the suspension of next year's Team Spirit exercise before North Korea announces its acceptance of nuclear inspections.

"South Korea and the United States will begin discussing the suspension of next year's Team Spirit if North Korea verbally promises to accept routine and ad hoc inspections by the International Atomic Energy Agency (IAEA)

and also the proposed exchange of special envoys to discuss inter-Korean nuclear inspections," the official said.

He said he understands the U.S. National Security Council meeting of last Nov. 16, too, reached such a conclusion.

This position of South Korea and the United States, he said, will be reaffirmed during the Nov. 23 summit meeting between Presidents Kim and Bill Clinton.

Close negotiations are currently going on between the two countries over the issue, he added.

'Concern' Over U.S. NSC Advice Reported

SK1811081293

[Editorial Report] On 18 November, vernacular Seoul dailies carry editorials and articles reacting to reports that the National Security Council, NSC, of the United States had recommended to U.S. President Clinton on 15 November that the annual Team Spirit military exercise be cancelled in exchange for North Korea's permission to inspect its nuclear facilities.

Both 800-word editorials appearing on page 3 of the centrist KYONGHYANG SINMUN and moderate TONG-A ILBO urge the United States to "hold prior consultations with South Korea" in determining policy on North Korea. KYONGHYANG SINMUN notes that there is "nothing the United States can gain from such concessions except to have North Korea return to the Nuclear Nonproliferation Treaty" and that this is no guarantee that the North Korean nuclear issue will be resolved. TONG-A ILBO urges the United States not to concede on any of its three preconditions of having North Korea accept ad hoc inspections (imsisachal) by the International Atomic Energy Agency, resume North-South dialogue, and accept, in principle, inspections of its undeclared facilities in exchange for cancelling the Team Spirit exercise, and warns against "another attempt by North Korea to dismantle the joint defense system."

In a 1,000-word article on page 2 entitled "U.S. Policy Toward North Korea Suddenly Switches to a Moderate Line," Seoul KYONGHYANG SINMUN reports that the U.S. has reverted to a "carrot approach" to resolving North Korea's nuclear issue by offering to suspend the Team Spirit exercise. Recalling that in the past, North Korea suspended dialogue with South Korea while Team Spirit was being held, the article says that this approach will "provide a decisive excuse to induce North Korea to the negotiation table" as "North Korea will no longer have an excuse to reject normal and ad hoc inspections" and that since the United States has promised a package solution, North Korea will not be able to reject nuclear inspections. The article adds that even if it is to reject

nuclear inspections, this will allow for "economic sanctions to be imposed immediately" and that China, while opposed to economic sanctions, "will find no excuse to reject them."

The moderate TONG-A ILBO on page 3 carries a 1,200-word article by Washington-based correspondent Nam Chan-sun entitled "The Background Behind 'Exchanging' the Suspension of the Team Spirit Exercise with Nuclear Inspections" in which it notes that the purpose of the NSC meeting is "to enable President Clinton to exert consistent leadership on North Korea's nuclear issue at the APEC summit." Saying that North Korean Vice Foreign Minister Kang Sok-chu's statement played a vital role in the U.S. State Department's decision to assume a more "peaceful direction" on the North Korean nuclear issue, the article notes that "the State Department is now in a position of having to bear the risk of making a policy change on the Team Spirit exercise" and that Washington seems to think that this will induce Pyongyang to assume a softer stance.

TONG-A ILBO also carries on page 3, a 900-word article by reporter Kim Cha-chu on the ROK Foreign Ministry's response to the NSC's recommendation. Pointing out that the ROK and the United States have maintained the same stance on the North Korean nuclear issue to date, the article expresses concern that "such a switch in U.S. policy may weaken the ROK's position (ipchirul yakhwasikida) regarding North Korea's nuclear issue." The article cites remarks made by ROK Assistant Foreign Minister Sin Ki-pok on 18 November denying reports that Washington had changed its approach on handling the North Korean situation and says "the Foreign Ministry is inclined to be very sensitive to Washington's development of an independent policy on North Korea without prior consultation with the ROK Government while President Kim Yong-sam is visiting the United States." The article speculates that despite strong denial by the ROK Government, Seoul and Washington have been divided on North Korea's nuclear issue ever since reports indicated that "dove-like" officials in Washington were gaining an upper hand.

Seoul HANGUK ILBO carries on page 3 of its morning edition, a 1,300-word article entitled "Delicate Air Currents Surrounding ROK-U.S. Positions on a Package Solution for North Korea's Nuclear Issue" which points out the omission of the precondition that North Korea needs to make "progress in North-South dialogue on dealing with North-South mutual inspection" in the recent agreements reached between the United States and North Korea. The article then quotes Foreign Minister Han Sung-chu's remarks on this omission in which he says: "There is a mandatory stage which is a precondition for the U.S.-North Korea package solution. We cannot omit this stage in thinking about the package solution." While government officials have said that "not 'an iota of disagreement' exists between the United States and the ROK regarding this issue," the article notes that the current situation is moving in another direction. The article also says that the omission of this

precondition on North-South dialogue in the U.S. State Department's response to North Korean Vice Foreign Minister Kang Sok-chu's statement and in the U.S. National Security Council's recommendations presents a problem in "harmonizing U.S.-ROK positions" and in coming up with "both countries' common opinion on this." The article suspects that the United States may be trying to intentionally sidestep the delicate North-South question.

DPRK Premier Reportedly To Meet With Li Peng

*SK1811071393 Seoul CHUNGANG ILBO in Korean
18 Nov 93 p 1*

[By Beijing-based correspondent Chon Taek-won]

[Text] On 18 November, an official well versed in the affairs of Beijing revealed that North Korea plans to discuss the final method for solution to the nuclear issue with China immediately after the summit of the leaders of Asian-Pacific Economic Cooperation [APEC].

This official said that the North Korean Premier Kang Song-san will visit Cambodia next week by a special plane and will visit China on the way home. He will meet with Chinese Premier Li Peng to comprehensively discuss the impending problems facing North Korea of late including the nuclear inspection issue. By that time, Jiang Zemin, president of the state of China and general secretary of the party, would have decided on China's final policy on the North Korean nuclear issue after returning home from the APEC summit during which he would exchange opinions as to the North Korean nuclear issue with the summit of each nation. At this very time, Premier Kang will visit China. Therefore, it is most likely that the two nations will work out the final policy on the North Korean nuclear issue.

Based on his assumption that the North Korean nuclear issue will be settled in any form through summit talks between the ROK and the United States, between the ROK and China, between the United States and China, and between the United States and Japan, Premier Kang will request the Chinese side's continuous support for North Korea's position during his visit to China.

The official also predicted that since North Korea is severely suffering shortages of food due to the recent cold weather, Premier Kang may request food assistance and will attempt to technically obtain China's comprehension of North Korea's noncompliance with liabilities without losing face seriously. He may also ask China to write off some debts.

The official observed that if North Korea makes an official visit to China directly to raise these problems, the scope of the Chinese side's action would be limited. Therefore, North Korea might have chosen such a method that it makes an unofficial visit to China after publicly announcing the visit to Cambodia in order to effectively discuss the urgent, impending issues with China.

Commission: PRC Soda Ash Imports 'Damaging'

SK1811090993 Seoul THE KOREA HERALD in English 18 Nov 93 p 8

[Text] The Korea Trade Commission (KTC) yesterday ruled that soda ash imported from China is damaging the Korean industry. The ruling paves the way for the Korean government to levy antidumping duties within one month.

Imports from China, which captured 12.5 percent of the domestic market in the first half of the year, have already been subjected to preliminary antidumping duties since June 21.

Dong Yang Chemical Co., the sole local supplier of soda ash, filed an antidumping charge against the Chinese import in January this year.

Korean customs authorities set preliminary dumping margins at 68.01 to 70.86 percent in May and the KTC also made a preliminary ruling that Chinese soda ash was hurting the Korean industry, opening the way to impose antidumping duties on a temporary basis.

Thesis on Russian View of Koreas' Relations

SK1611073693 Seoul HANGUK ILBO in Korean 13 Nov 93 p 5

[Article based on thesis by Dr. Kim Myong-ho of the Russian Academy of Social Science on Russian expert opinion regarding developments on the Korean peninsula by Reporter Yi Chang-hun in Moscow; date not given—first paragraph is HANGUK ILBO editorial note]

[Excerpts] With the subtle developments in the situation on the Korean peninsula regarding North Korea's nuclear issue, Russian experts on the affairs of the Korean peninsula forecast that peaceful reunification of North and South Korea will be possible by 2005. This is according to the survey conducted by Dr. Kim Myong-ho, member of the Oriental Studies Institute of the Social Science Institutes under the Russian Academy of Science. These experts expect North-South summit talks to take place before 1995. The Russian scholars who responded to the survey are experts on the affairs of the Korean peninsula who work at the Far East Institute, Oriental Studies Institute, the World Economics and International Relations Institute, Institute for War History, Moscow State University, and Moscow International Relations Graduate School. Others in charge of affairs on the Korean peninsula from various strata, like Russia's Foreign Ministry and PRAVDA, responded. Dr. Kim analyzed the results of this survey in a thesis paper entitled, "Change in the North Korean System and Prospects for North-South Relations." The major contents of the paper are as follows:

Transfer of Power

Kim Il-song's retirement will serve as a most direct variable that will contribute to changing North Korea's system. Bracing for Kim Il-song's retirement, North Korea has strengthened the hereditary system. [passage omitted]

By 1995, Kim Chong-il will have almost complete control over North Korea. Even if Kim Il-song were to pass away around 1996, chances are very slim that any vacillation within the system will take place in the power transfer process. [passage omitted]

Particularly, the possibility of the military establishment attempting a coup d'etat is slight because of their unchanging loyalty to Kim Chong-il. [passage omitted]

Economic Reform [passage omitted]

North Korea will also exert its best efforts to create special economic regions, send construction workers overseas, nurture scientific and technological specialists, and collect high-tech scientific and technological information from the West. [passage omitted]

Social Control and Democratization [passage omitted]

Many people feel that antigovernmental forces [pancheje seryok] will increase between 1996 and 1998 and that social unrest, including massive demonstrations, will follow. [passage omitted]

External Relations

Cooled relations between Russia and North Korea will improve on a gradual basis beginning with economic cooperation. North Korea-PRC relations will be strengthened greatly after Kim Il-song's death.

If the nuclear issue is resolved, chances are very high that North Korea-U.S. relations will be normalized by 1995 and that they will rapidly improve thereafter.

Also, North Korea will step up its efforts to normalize relations with Japan in a bid to attain compensation for Japan's colonial rule. Thus, it is most likely that diplomatic relations will be established between North Korea and Japan before 1995.

Nuclear Issue and Military Policy

Given North Korea's economic situation, the modernization of the North Korean Army will, excepting some ultramodern weapon systems, be limited.

North Korea's military line will gradually soften after power is transferred in 1996. However, North Korea will maintain the tactics and strategies aimed at "one Korea" toward the South until 1998.

Russian expert opinion on the nuclear issue is divided. Many feel that, given the West's pressures against North Korea, North Korea's switch to a more open policy, and its difficult economic realities, the nuclear issue will

inevitably be resolved. Some experts, however, say that even if North Korea were to accept nuclear inspections under the condition of North-South simultaneous inspections, it will not give up nuclear development and that if North Korea completes its development of nuclear weapons, North Korea will instead strengthen its propaganda on denuclearization toward the South.

North-South Relations

If the nuclear issue is resolved, North-South dialogue will resume. High-level talks may then follow, and summit talks may be realized before 1995.

Kim Il-song is likely to transfer the presidency before he dies, and in order to demonstrate the legitimacy of North Korean power, will have Kim Chong-il represent North Korea as a partner in North-South summit talks in an effort to consolidate Kim Chong-il's power base. [passage omitted]

Reunification [passage omitted]

Many Russian specialists on the Korean peninsula predict that North-South talks on the form and principles of reunification will begin in earnest between 1996 and 1998, that North and South Korea will make joint efforts to legislate a reunification constitution from 1999 to 2001, that unity of political and economic systems will be realized some time between 2002 and 2004, and that complete national reunification will take place around or after 2005.

Regarding the form of reunification: Some say that around 1999-2001, a North-South commonwealth—an intermediate stage of reunification proposed by South Korea—will be established, while others predict that by 1999-2001, reunification will take place in a "Korean confederation system" as proposed by North Korea. A few experts say that North Korea will be absorbed into South Korea. [passage omitted]

Deputy Prime Minister on Foreign Investment

SK1811093893 Seoul YONHAP in English 0910 GMT
18 Nov 93

[Text] Seoul, Nov. 18 (YONHAP)—The government plans to actively attract foreign investment in South Korea by further opening the domestic market and reducing red tape, Deputy Prime Minister Yi Kyong-sik said Thursday.

An industrial complex exclusively for foreigners to be built soon will be a free investment zone, with unfettered investment by foreigners, he told a forum on economic policy in July-December.

Tax deductions for investment in domestic businesses will be extended for six months when the trial period ends next month to spur industrial investment, said Yi, who is also economic planning minister.

While the government will keep its policy of reducing strategic finance and tax exemptions or reductions for businesses, it will expand tax favors and strategic financing for projects to develop technology and human resources, he said.

The deputy premier said the reason South Korea's international competitiveness has weakened is that production costs, including wages, interest rates and real estate prices, have soared and that industries couldn't freely engage in activities due to excessive administrative regulations.

To strengthen the competitiveness of Korean companies, the government will loosen regulations next year with emphasis on financial liberalization and easing of land use control, Yi said.

Government To Allow 30,000 Foreigners To Work

SK1711151093 Seoul YONHAP in English 1032 GMT
17 Nov 93

[Text] Seoul, Nov. 17 (YONHAP)—In a bid to ease manpower shortage among small industries, the government plans to allow 30,000 foreigners to work in the country next year as "technical trainees."

A government source said that the 30,000 foreign workers will fill the jobs presently held by illegal stayers who will be forced to leave the country by Dec. 15.

Presently there are about 58,000 illegal foreign workers in the country. They include 28,000 Korean-Chinese working mostly at service concerns and 30,000 other foreigners illegally employed by small manufacturing firms.

To provide the replacement of the outgoing 30,000 workers, the government will allow in up to 30,000 foreign "technical trainees" for work in the country for a period not exceeding two years, the source said.

"We are discussing with other relevant government offices the issue of expanding the foreigners technical training system as there arises the growing need to use more foreign workers," Labor Minister Yi In-che said on Wednesday.

Hyundai To Jointly Produce High-Speed Train

SK1811091193 Seoul THE KOREA HERALD in
English 18 Nov 93 p 8

[Text] GEC Alsthom, the French company now negotiating with the Korean government to supply supertrains (TGV, high-speed train), has selected Hyundai Precision and Industry Co. as the leading Korean manufacturer of the TGV.

Hyundai said yesterday that it has been selected to act as the leader of a consortium to share the production of TGV trains with GEC Alsthom.

In addition to Hyundai, Daewoo Heavy Industries, Hanjin Heavy Industries and parts suppliers are to participate in the consortium to be established when the French company is awarded the contract to supply supertrains to run on the planned Seoul-Pusan high-speed railroad.

The Korean government and the French company are scheduled to conclude negotiations on the proposed contract by the end of the year.

Under the contract, GEC Alsthom would supply technology to the consortium for joint production.

As the leading manufacturer of the consortium, Hyundai said it will be held responsible for overall project management and coordination among the Korea High Speed Rail Construction Authority, the rolling stock manufacturers and the parts suppliers.

Hyundai said it will also be held responsible for conducting final assembly, running tests on assembled trains and checking progress in planned localization.

After three weeks' evaluation by GEC Alsthom of the three rolling stock manufacturers, Hyundai said it was selected as the leading manufacturer of the consortium because of its Changwon plant's industrial and technological advantages over other plants.

Ministry To Open Embassy in Israel 'Mid-Dec'

*SK1811084293 Seoul THE KOREA TIMES in English
18 Nov 93 p 2*

[Text] The government plans to reopen a resident embassy in Jerusalem in mid-December, Foreign Ministry officials said yesterday.

Assistant Foreign Minister for Political Affairs Sin Kipok agreed on the matter with the Israeli side during policy consultations in Jerusalem early last week.

A ministry officials said that the government plans to dispatch a two-member team to Israel early in December to prepare for the opening of the embassy office upon approval at a Cabinet meeting.

The two diplomats will be Kim Song-yop, counsellor at the Korean embassy in Denmark, and one unnamed official in Seoul, the official said.

Israel reopened its resident embassy here in November last year.

Meanwhile, the diplomatic normalization with the Palestine Liberation Organization is expected to take place after Palestinians settle in the Gaza Strip and the West Bank city of Jericho in accordance with the peace agreement reached between the PLO and Israel last September, the official said.

Minister Kim Chol-su Interview on New Strategy

*SK1611234893 Seoul HANGYORE SINMUN in Korean
16 Nov 93 p 13*

[Interview with Kim Chol-su, minister of Trade, Industry, and Resources, by reporter Kim Hyon-tae at the Government Complex in Kwachon on 14 November; first two paragraphs newspaper introduction]

[Excerpts] The wind of internationalization is blowing harshly. The so-called single economic bloc of the world has become influential in our actual life. The Uruguay Round typhoon is now threatening our rice market after striking a blow to our industrial product and service markets.

The strategy for internationalization, a daring policy presented by the government on 8 November, is based on recognizing that our closed economic system and way of thinking have prevented the growth of the country's competitive strength. [passage omitted]

[Kim Hyon-tae] What made the government present the strategy for internationalization?

[Kim Chol-su] Even now, when the world has become a single economic bloc, our country, which ranks 13th in trade in the world, still has economic systems and ways of thinking that are adverse to the international trend.

Internationalization and opening up are tasks that can no longer be delayed to move into the advanced countries' economic circle—the goal of the new economy. [passage omitted]

Costs of all elements for production in our country—such as interest, wages, and land costs—are more expensive than those in our rival countries, and we are still behind advanced countries in technologies. Under this situation, various restrictions barring free exports are a critical factor that weaken our export competitive strength. [passage omitted]

[Kim Hyon-tae] Many people react negatively to the government's plan to attract foreign investments as a part of its strategy for internationalization. [passage omitted]

[Kim Chol-su] Today, not only underdeveloped countries but also advanced countries throughout the world are trying to attract foreign companies. France provided Daewoo Electronics with gratuitous land for building a plant. Our companies operating in the United Kingdom and Ireland even receive subsidies from their governments.

We can expect much from attracting foreign companies to our country. More jobs would be available, and we could learn advanced management methods and ultra-modern technologies.

We will no longer have to worry about labor-management conflicts in foreign companies in the ROK because foreign companies looking for low wages will

rush into underdeveloped and developing countries, while ultramodern technology-intensive industries that need to utilize high technologies and mass-production capabilities will enter the ROK.

All that the government can provide to a foreign company, which will invest in our country, is an industrial site and tax favors. [passage omitted]

[Kim Hyon-tae] It has been pointed out that the strategy of internationalization will likely become a policy protecting plutocrats because a reduction of holidays was originally considered in the strategy, though it has not been reflected, and because the government repeatedly talked about relatively high wages.

[Kim Chol-su] I believe that when enterprises are prosperous, workers become prosperous. In order to be prosperous, enterprises have to be competitive in the international market. The government's strategy does not include granting privileges to business groups.

It is just based on the intent to let our companies compete with leading companies of the world under not disadvantageous conditions by easing unnecessary restrictions. [passage omitted]

[Kim Hyon-tae] It seems impossible to achieve this year's export goal—\$83.5 billion. Businessmen view that the export situation will be worse next year. What do you think?

[Kim Chol-su] I do not think this year's exports will exceed \$83 billion, no matter how hard we work in the last two months. Inactive facility investments and dull light industries since last year may aggravate next year's exports.

The overall condition of our exports, however, will be better to a certain degree because the yen exchange rate will remain strong for a while and because the economy of advanced countries, including the United States and Japan, will be reinvigorated next year, and China will soon ease its retrenchment policy.

[Kim Hyon-tae] ROK-Japan relations have improved considerably. What is your estimation of the ROK's future introduction of Japan's ultramodern technologies?

[Kim Chol-su] Circumstances have pushed Japan to transport its manufacturing bases to foreign countries. Japan will likely promote an active transport of technology-intensive businesses, unlike the pattern shown in the past. In this case, ROK and Taiwan are the most appropriate countries. We have to actively attract Japan's high technological industries, such as electronic appliance parts, motor parts, farm machinery, compressors, cameras, shipbuilding equipment, steel, and metal processing industries. [passage omitted]

DP Asks Government To Dismiss NSP Official

SK1711141793 Seoul CHUNGANG ILBO in Korean
17 Nov 93 p 2

[Text] The Executive Council of the Democratic Party [DP] on 17 November decided to demand that the government dismiss Yi Tong-pok, incumbent special assistant to the director of the Agency for National Security Planning [NSP]. It has been suspected that Yi Tong-pok, former spokesman of our side's delegation to the North-South high-level talks, fabricated Chong-wadae [presidential office] instructions during the North-South high-level talks in Pyongyang in September of last year. The Executive Council revealed that "Assistant Yi fabricated government instructions and, as a result, the reunion of 10 million separated families ended in failure, thus causing them to hold a grudge." The council stressed that "Assistant Yi must be held responsible for this before history without fail."

Prior to this, at a session of the Assembly Budget Settlement Committee on 16 November, Yi Pu-yong, DP national assemblyman and member of the council, revealed that Assistant Yi concocted government instructions during the eighth North-South high-level talks held last year in Pyongyang, and conveyed the fabricated instructions to the delegation. As a result of this, some issues, including the reunion of separated families, that were at the stage of almost being settled, were unresolved. Assistant Yi denied this, stating that such claims have proven to be untrue.

Group Accused of PC Network Antistate Messages

SK1811085493 Seoul THE KOREA HERALD in English
18 Nov 93 p 3

[Text] A group of computer network users were denied access earlier this week on charges of trying to disseminate anti-state ideology through a nationwide computer communications network, it was learned yesterday.

The incident, the first of its kind in South Korea, focused attention on the social consequences of the fast-growing PC [personal computer]-communications networks and is likely to trigger debate over whether to police them.

Dacom, a local data-network operator and long-distance carrier, said yesterday that it had to ban one of its customer groups from entering its nationwide network Chollian from Monday afternoon through Tuesday morning.

The self-style Modern Philosophy Fraternity was accused of distributing "exhortations to socialist revolution and class struggle" by using Chollian's electronic bulletin boards.

One of the messages read: "Our goal is to establish socialism worldwide...to this end, we must encourage a workers' revolution in South Korea. The establishment must be overthrown by violence and class struggle."

The fraternity regained its Chollian access after its chairman Kim Hyong-yol promised not to distribute such messages any more. But some of its members protested the monitoring of their communications.

Dacom reported the incident to the police. The telecommunications law prohibits distribution of anti-state messages through public networks.

The Modern Philosophy Fraternity is one of the 160 PC-communications groups that log on to Chollian. Using telephone lines hooked up to computers, these groups exchange scientific research, political debate, stock tips, literary criticism and other information.

Since it was first introduced here in 1989, PC-communications networks now serve more than a half million people. Chollian and the Hitel service of Korea Telecom are the two biggest networks. There are also several private networks and bulletin board services.

Institute on 'High Levels of Lead' in Han River

*SK1811093693 Seoul YONHAP in English 0812 GMT
18 Nov 93*

[Text] Seoul, Nov. 18 (YONHAP)—Water in some parts of the Han River, from which citizens in the Seoul metropolitan area derive their drinking water, contains high levels of lead, according to the Institute of Waterworks Technology.

The Seoul city government-affiliated organization conducted tests in 10 places in the Han River in July and August and water samples from all 10 places contained lead, officials said Thursday.

In one place—the Kuui area in the lower reaches of the Han River—they found water containing a maximum 0.67 parts per million (ppm), or six times more than the permitted level of 0.1 ppm, the officials said.

The lead content was 0.415 ppm in the Chunchon Dam, the upper Han River, near the city of Chunchon, Kangwon Province. It was four times the permitted level, they said.

At Yaju, Kyonggi Province, lead content was 0.64 ppm while the least amount of lead—0.094 ppm—was found in water at the Chongpyong Dam, they said.

Under the Chamsil Bridge, near the area where the city of Seoul derives the water for treatment for tapwater for Seoul citizens, the institute found 0.346 ppm to 0.507 ppm of lead.

The Environment Ministry disputes the city's findings, however, saying its National Institute of Environment Research conducted a similar check in July and August and found no lead in the river.

But the ministry admitted that a later check by the National Institute of Environment found "some" lead in waters obtained in five of the 10 places where the Seoul city's institute said it found lead.

Especially in the water from the river under the Chamsil Bridge, where the national institute found 0.049 ppm of lead, the ministry said.

Because of discrepancies in their findings, the ministry said it will conduct yet another test soon to make a definitive finding.

Brunei, Malaysia & Singapore

Malaysia

First Police Unit Leaves for Mozambique

*BK171113193 Kuala Lumpur BERNAMA in English
0346 GMT 17 Nov 93*

[Text] Kuala Lumpur, Nov 17 (OANA-BERNAMA)—The first batch of 25 police officers left for Mozambique Tuesday night for United Nations (UN) duties. The officers for the United Nations operations in Mozambique. [sentence as received] They left at 11.35 pm [1530 GMT] local time from the Kuala Lumpur International Airport in Subang near here. The group was led by DSP [Deputy Superintendent of Police] Idris Ismail. The second batch of 10 officers is scheduled to depart on November 23. During their year-long tour of duty, the officers will help monitor the country's general elections as well as ensuring that the warring factions in Mozambique observed the UN-sponsored ceasefire.

Singapore

Editorial Views Importance of APEC Meeting

*BK1611130693 Singapore BUSINESS TIMES in
English 16 Nov 93 p 18*

[Editorial: "That Summit in Seattle"]

[Text] It is no secret that many of the Asian leaders attending the APEC [Asia Pacific Economic Cooperation] gathering in Seattle on Thursday are wary of President Bill Clinton's agenda. Right from the beginning the U.S. proposal ran into opposition. Beijing made it clear that President Jiang Zemin would not attend unless the question of Taiwan's and Hong Kong's representation was settled in advance to its satisfaction. Malaysia's Mahathir Mohamed was unhappy over the fact that it was entirely a U.S. initiative, called without prior consultation, and decided to stay away. Thailand and Indonesia expressed grave reservations about APEC being turned into a trade negotiating instrument: Mr. Chuan Likphai and President Suharto needed much persuasion before agreeing to attend. Of course, Mr. Clinton will be there, but the things being said about Japanese intentions in Mexico—the better to sell NAFTA [North American Free Trade Area] to Congressional doubters—will certainly not endear Mr. Clinton to Mr. Morihiro Hosokawa.

All of this is not say that the APEC gathering is a waste of time. There are several worthy proposals and the summit should be the forum to explore them. The widely leaked Bergsten study, commissioned last year by APEC foreign and trade ministers, recommends setting a target date for creating a free-trade zone throughout the Pacific. The ultimate goal, says the study, is to turn the consultative forum into an active community of nations acting in concert on important trade and political issues.

Over time, the report suggests, the group would adjudicate trade disputes and set standards for everything from telecommunications equipment to environmental protection. It could also adopt trade liberalisation measures before they are adopted in GATT, thus setting the pace for the rest of the world. Apart from that report, Beijing wants APEC nations to consider extending most-favoured-nation status to each other. Mr. Jiang should push the proposal hard in Seattle. It is not quite the grand vision of Bergsten's Eminent Persons Group who call for removing all trade barriers between the United States and the Pacific nations, but it fits in neatly as an interim measure and could be acted upon by APEC members immediately. Indeed, it should be the one proposal that the Asian nations should demand the United States agree to before going on to any of the others.

Mr. Clinton should understand that East Asia is becoming economically more important to America while America is becoming economically less significant to Asia. The United States is now the ultimate market for only about a quarter of this region's goods and services. East Asians are not blind to the fact that it is in America's interest to turn the grouping into a Pacific community, with the United States in a leadership role. But the United States should know that there will be resistance. Any effort by Washington to turn APEC into an extension of U.S. foreign policy would be disastrous. Asian nations are not so far removed from their colonial past that they will view Washington's attempt to set APEC's pace very happily. Mr. Clinton will be well advised to seek to become a proper partner in managing the affairs of the Pacific, rather than to stage-manage the event to show Washington's pre-eminence.

Cambodia

Sihanouk Issues Statement on Press Allegation

*BK1711121893 Phnom Penh National Voice of
Cambodia Radio Network in Cambodian 1100 GMT
17 Nov 93*

[“Message of His Majesty Norodom Sihanouk Varaman, king of the Kingdom of Cambodia, to his beloved compatriots;” issued in Beijing on 16 November—read by announcer]

[Text] Beloved compatriots: Some newspapers and individuals have reported and said in rumors that I, Norodom Sihanouk, have invited the Cambodian beauty queen to see me in Beijing. Concerning this purely fabricated news, I have to issue the following categorical correction:

I would like to ask the First Prime Minister of the Royal Government of Cambodia [RGC] and His Excellency [H.E.] Second Prime Minister of the RGC to help completely clarify this issue that seems to have been disseminated by civil servants in Kandal Province. The fact is that I have never talked about or written anything

that could be construed as an invitation from me. I hope that in the future people will avoid unjustly causing me such a concern.

Beloved compatriots, please accept my most profound affection.

[Dated] Beijing Central Hospital, 16 November 1993
[Signed] Norodom Sihanouk

Sirivut Receives French Delegation 12 Nov

BK1311070193 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 13 Nov 93

[Text] Prince Norodom Sirivut, deputy prime minister and minister of foreign affairs and international cooperation, received a French parliamentary delegation led by His Excellency Raymond [last name indistinct], an MP responsible for trade and industrial affairs, at the Foreign Ministry on the afternoon of 12 November. The delegation informed the prince that its visit at this juncture is to study the real situation and gather information in Cambodia with the aim of enhancing economic and trade relations between Cambodia and France.

The delegation said it noted the progress made by the Royal Government of Cambodia [RGC] and the implementation of a free-market economy. It pointed out that it had possibilities to help restore and rebuild Cambodia and had a plan to establish a hotel management school in the country. The French parliamentary delegation further said that it was prepared to help restore Pochentong International Airport, promote tourism in Cambodia, exchange university students, and grant scholarships to telecommunications schools in France, thereby allowing Cambodia to thrive like other developed countries in the world.

In his reply, Prince Norodom Sirivut profoundly thanked the French Government for its assistance and support to Cambodia. He also talked about the development of the situation in the country and a number of difficult problems concerning the Khmer Rouge. The prince also said the RGC would pay attention to establishing a trade and industrial route between Cambodia and France for the sake of the two countries' interests.

Most Australian Troops Complete UN Mission

BK1211090993 Melbourne Radio Australia in English 0500 GMT 12 Nov 93

[Text] Australian troops are officially pulling out of Cambodia two years and two days after joining the United Nations peacekeeping operation. Sue Downie reports from Phnom Penh that the barracks used by the Australians have been handed over to the Cambodian Air Force.

[Begin Downie recording] The rear party made up of more than a hundred Australians flew out of Phnom

Penh at first light this morning but, unfortunately, not all Australians were able to leave. Twenty-five diggers are remaining behind for a week to ensure the Australian equipment is loaded onto a UN-chartered ship which has been delayed by five days. For the past two years, Australian and New Zealand signalers have (?divided) the communication system for the UN mission which at its peak amounted to 22,000 personnel, including 16,000 troops. [end recording]

National Assembly Session Resumes 18 Nov

BK1811043693 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 18 Nov 93

[Text] The first session of the first National Assembly solemnly resumed this morning at the National Assembly office under the chairmanship of His Excellency [H.E.] Loy Simchheang, acting National Assembly chairman; and H.E. Son Soubert, National Assembly second vice chairman.

There were 106 members present and 14 absent. According to the agenda, the National Assembly will discuss the draft budget for the assembly.

Khmer Rouge Representative on Roundtable Meet

BK1811054993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 17 Nov 93

[Interview with Mak Ben, representative of the Party of Democratic Kampuchea, at the office of the Party of Democratic Kampuchea in Phnom Penh on 13 November with an unidentified REAKSMEI KAMPUCHEA correspondent, "published in REAKSMEI KAMPUCHEA on 15 November 1993"—read by announcer]

[Text] 1. Regarding the question about the roundtable meeting scheduled for mid-November, Mak Ben says: The Party of Democratic Kampuchea [PDK] very much needs the meeting because it enables our Cambodian leaders to meet and discuss national problems. The PDK, like our people, does not want war, but peace and national reconciliation in accordance with the national reconciliation policy of His Majesty [H.M.] King Norodom Sihanouk Varaman. This is our objective.

2. Concerning the question about the PDK not being a major problem and that instead the economic and social issues are the essential problems, Mak Ben says: If everyone has listened to the message of H.M. the king, it contains the following issues:

- A. National reconciliation to enable Cambodia to have peace which the king considers as the No. 1 priority;
- B. Territorial integrity; and
- C. A solution to living conditions of the poor.

The people want peace. Only when there is peace can other matters be resolved.

3. Concerning the question of imposing conditions on each other for holding the roundtable meeting, Mak Ben says: Democratic Kampuchea has supported the election results since the beginning. The support for the election results is a support for democratic principles.

As a matter of fact, the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC], the winning party in the election, should be allowed to set up a government. This is democracy.

Later on, Democratic Kampuchea came to support monarchism and the accession to the throne of Prince Norodom Sihanouk. We have supported the Constitution.

Democratic Kampuchea has liberated zones, an economy, and other things; this is part of Cambodia. This has not been acquired through any intervention, treaty, or agreement. Therefore, if everyone aspires to achieve reconciliation in accordance with H.M. the king's national reconciliation policy, we, Cambodians, should meet without any conditions. We should unite as a big family around the throne and the king.

4. Regarding the question on whether he is optimistic about the roundtable meeting, Mak Ben says: Democratic Kampuchea supports H.M. the king's idea to unite the entire nation, the way he previously achieved national reconciliation through peaceful means, for example his 1952-53 royal crusade whose anniversary was recently celebrated.

In his message marking the 40th anniversary of Cambodia's independence, the King says: Waging war to liberate the country and nation is fine; however, solving problems through peaceful means is even better.

5. On the question about Democratic Kampuchea's stance toward the provisional government, Mak Ben says: As stated above, if we want national reconciliation and national unification, why do we need to set conditions? The king has said to His Excellency [H.E.] Khieu Samphan on 1 October 1993 that Phnom Penh city is the capital of all Cambodians, and the latter should come and go and hold uninterrupted talks as one big family. Talks and discussions could achieve a 20, 30, or 40 percent result; we will note what is agreed upon. For the points on which agreement has not been reached, we will continue discussions. This is in accordance with the king's initiative.

6. Asked if the roundtable is successful and if Democratic Kampuchea receives an advisory role, or even a role in the cabinet, will he accept the current government, Mak Ben says: The PDK will not demand a ministerial post. We have two proposals:

A. Set up a national Army that includes Democratic Kampuchean forces, namely the Khmer Royal Armed Forces;

B. Provide an advisory role for Democratic Kampuchea's representative(s).

The PDK put forward these two proposals on 13 July 1993; this pleased the prince [Sihanouk]. And in order to achieve national reconciliation, the roundtable should be convened. This initiative has been born since then. That is all we have proposed.

7. On the question of whether the advisory role is that of adviser of Prince Norodom Sihanouk or of the government, Mak Ben says: We have raised the principle of an advisory role. As for how it will be implemented, let us discuss and talk about it.

8. Concerning the question about whether the Cambodian National Union Party [CNUP], which was set up before the election, is still functioning or not, Mak Ben says: The CNUP is a political party like others. It was set up within the framework of the Paris peace agreement. Democratic Kampuchea is a party in the Paris agreement. H.E. Khieu Samphan is the chairman of the PDK and of the CNUP. This party is set up to work toward implementing multiparty liberal democracy.

9. On the question of whether the CNUP made any preparations to take part in the recent election, Mak Ben states: It was the profound aspiration of the people to express their view in choosing a political party. The establishment of our party was in preparation to take part in this election. However, since the implementation of the Paris agreement did not proceed in accordance with the spirit and essence of the agreement, we did not take part in the election.

10. On the question of whether Vietnam or Thailand is a danger, Mak Ben says: The situation has clearly shown that Cambodia has been a victim of the SRV's aggression since December 1978. The world, in particular the UN General Assembly, adopted resolutions every year demanding that the SRV withdraw all its aggressor forces from Cambodia. The 23 October 1991 Paris agreement also clearly talks about UNTAC [UN Transitional Authority in Cambodia] checking and ensuring that all foreign forces; that is, the SRV's aggressor forces, are withdrawn from Cambodia.

11. Concerning the question that we have adopted 9 November as the national day and whether the PDK will celebrate the coming 17 April on its own, Mak Ben says: No, we will not. The PDK supports 9 November as the historic day when the king achieved success with the support of the people nationwide, and when he successfully led the royal crusade for independence. Therefore, the PDK joins the people to celebrate this event.

I, a representative of the PDK, took part in this celebration. H.E. Khieu Samphan also sent a message to the

king and already received a return reply. November 9th is a historic day when our nation is proud; this should be celebrated every year.

Indonesia

Exercise With Australian Air Force Ends

BK1711115593 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 17 Nov 93

[Text] The joint air exercise codenamed Elang Ausindo between the Indonesian Air Forces and the Royal Australian Air Force was officially closed at a military ceremony presided by Colonel S. Sihotang, chief of the Indonesian Air Force's Operations and Training Directorate, at Kelapa Sawit Airbase in Medan this morning. The joint exercise, which began on 13 November, is aimed at improving the knowledge and skill of the two countries' air force personnel as well as strengthening bilateral cooperation between the two air forces in the future.

In his speech, Col. Sihotang said among other things that the joint exercise, conducted in Indonesian airspace, had been successful thanks to the participation and support of the two sides' personnel. It is hoped that future joint exercises will be upgraded so as to provide mutual benefit to the two countries, especially in defending the airspace of Indonesia and Australia.

Hong Kong Men Arrested for Illegal Fishing

BK1411130193 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 14 Nov 93

[Text] Sixteen fishermen, three of them Hong Kong nationals, have been arrested by Sorong police for catching fish with potassium, a prohibited chemical substance. Silitonga, chief of Sorong Public Prosecutor's Office, said the court case for the three Hong Kong nationals and 13 Indonesian fishermen is being prepared for trial. They were arrested for catching fish in the waters of Raja Empat island with potassium, resulting in the killing of thousands of grouper and decorative fish. Police seized a trawler called Mina Fajar IV and fishing gear.

Investment Board Approves 47 New Projects

BK1711144093 Jakarta THE JAKARTA POST in English 5 Nov 93 p 8

[Text] Jakarta (JP)—The Investment Coordinating Board (BKPM) approved 47 new investment projects with total commitments of around U.S.\$1.81 billion and 35 expansion projects worth \$394.51 million in the period between September and October 15.

The value of the new investment commitments indicates a 49 percent increase from around \$1.21 billion pledged during the period between August 16 and September 15.

BKPM said in its latest monthly report yesterday that in the period between September 16 and October 15, foreign investments totaled \$513.48 million, 211 percent higher than the previous month's value of \$164.84 million. These investments were committed for the development of 26 new ventures and 12 expansion projects.

During the previous four months, foreign investments commitments had plunged steadily. After dropping by 73 percent in the July 16-August 15 term, they declined by 19 percent in the following month.

The domestic investments, which reached Rp [Rupiah] 2.2 trillion (\$1.04 billion) in the August 16 to September 15 term, also increased to Rp 3.55 trillion (\$1.69 billion) in the September 15 October 15 period.

The domestic investments were committed for the establishment of 21 new projects valued at Rp 3.2 trillion (\$1.52 billion) and the expansion of 23 existing businesses worth Rp 356.75 billion (\$169.56 million).

The new foreign investment projects include:

- A \$80 million polyethylene terephthalate plant to be operated by PT [Company Limited] Bakrie Kasei PET Corporation in West Java.
- A \$70.6 million apartment to be operated by PT Tocera Engineering Indonesia in Central Java.
- A \$20.4 million processed metal factory for building construction to be operated by PT Batamec in Riau.
- A \$20 million manufacturer of industrial clothing made of plastics to be operated by PT Der Kwei Kemasan Indah Indonesia in West and East Java.
- A \$18.59 million beverage plant to be operated by PT Pepsi Cola Indo Beverage in West and East Java.
- A \$18.1 million electronic component plant to be operated by PT Mura Moto Elektronika Indonesia in West Java.

Of the total \$513.48 million foreign investments, \$224.95 million was committed for 12 expansion projects, which include:

- A \$146 million synthetic fiber plant to be operated by PT Indo Bharat Rayon in West Java.
- A \$51.4 million offset and printing plant to be operated by Dai Nippon Printing Indonesia in Jakarta.
- A \$9.53 million machinery and two-wheel motorcycle components plantation to be operated by PT Honda Astra Engine MFG in Jakarta.
- Among the largest domestic investment projects licensed during the September 16 October 15 period were:
- A Rp 1.98 trillion basic telecommunications service to be operated by PT Satelit Palapa Indonesia in Jakarta, which will operate throughout the country.

Editorial Views Malaysia's UMNO Elections

BK1711134693 Jakarta *SUARA PEMBARUAN* in
Indonesian 4 Nov 93 p 2

[Editorial: "UMNO is for the Malays or Malaysia"]

[Text] The "United Malays National Organization," better known as UMNO, held its General Assembly in Kuala Lumpur on 4 November 1993. The objective of the General Assembly was to discuss the party program and activities for several years to come, as well as to elect the party's president and its Supreme Council members.

In the wake of the approaching UMNO General Assembly, the prologue and development of the political situation in our neighboring country indicated that Premier Dr. Mahathir Mohamed, 69, will be reelected as president of UMNO, while Anwar Ibrahim, 47, who is currently the finance minister, will be elected as UMNO deputy president. With the resignation of Ghafar Baba from his posts as Malaysian Deputy Premier and UMNO deputy president during the last few days prior to the assembly, it is almost certain that the former leader of ABIM [Malaysian Muslim Youth Movement] will be promoted to become the next deputy prime minister of Malaysia. The population of Malaysia is about 18 million.

Since its establishment in 1946, UMNO has played a very dominant role in Malaysia's political life. Even though the history of UMNO had been marked by a split in the party and the expulsion of its members every now and then, the party's existence and integrity were maintained.

Legally, the UMNO that was established in 1946 had been formally "dissolved" when the party was declared illegal by Harun Hashim, High Court judge, following the rigging of votes in party elections at its congress on 24 April 1987. In the 1987 party elections, the Musa Hitam-Tengku Razaleigh camp was opposed by the Mahathir-Ghafar Baba camp. The current Mahathir-led UMNO is known as the new UMNO, whose formation was inaugurated on 15 February 1988.

Even though the situation at the upcoming UMNO General Assembly is expected to be "hot," the heat is supposed to be concentrated around the contests for the three posts of party vice presidents and the 20-25 seats in the UMNO Supreme Council. It looks like two former vice presidents of UMNO, namely, Datuk Abdullah Badawi (Minister of Foreign Affairs) and Datuk Sanusi Junid (Minister of Agriculture) will compete with Datuk Najib bin Tun Abdul Razak (Defense Minister and son of a former prime minister Tun Abdul Razak), Mohamed Taib (Chief Minister of Selangor State), and Muhyiddin Yassin (Chief Minister of Johor State) for the three posts of vice presidents.

Even though UMNO has done a lot for Malaysia and induced its development so far, the organization is still seen as "racial" in nature because its membership is still

limited to the people of ethnic Malay race. The non-Malays, such as the Kadazan tribe people whose domicile is Sabah, and the people of Chinese and Indian origins are not allowed to join in the party due to the primordial-sectarianism condition that is attached to UMNO.

In other words, UMNO is a partial organization, and is not/not yet an open organization that is national in nature even though the demographic composition of the Malaysian population is very much different now when compared to the situation in 1946. Currently, the non-Malay population is about 47-48 percent of the total population of Malaysia. The Chinese population is about 32 percent.

It is true that all political parties that are "racial" in nature are components of the Barisan Nasional coalition, but the coalition is still, perhaps, confederative, and it is not/not yet integrative in nature. Datuk Mohamed Rahmat, secretary general of UMNO, used to say that one of the objectives of UMNO is to forge cooperation among the various ethnic groups in the country so that a strong Malaysian nation can be created.

It would be difficult for UMNO to achieve this objective even though the word "national" is used in the name of the organization. This is due to the organization's particular identity. UMNO still gives the impression that it is an "exclusive" organization, and this is the issue that is really "UMNO's problem" in its efforts to be an organization that is most capable of uniting the people and has supernatural power to create a strong Malaysian nation in the future.

It is true that UMNO was successful in bringing unity to the Malays in Malaysia, even though there was a split in the party at the later stage and despite the emergence of other Malay parties such as the PAS [Pan-Malaysian Islamic Party] and the Semangat 49 [Spirit of 46]. The challenge that is facing UMNO, which is the largest party in Malaysia, is not just to unite the people and create a strong Malaysian nation in the future. It is faced with other challenges too.

In view of this, we hope that, following its current General Assembly, UMNO will start thinking about political renovation to suit the contemporary conditions and situation in the country. What UMNO should take into consideration, among other things, are: the demographic composition, the upholding of national unity and cohesion, and the objective to create a strong Malaysian nation in the future. Therefore, due to these reasons, UMNO should be brave to change itself from an organization that is "from the Malays, by the Malays for Malaysia" to become "from Malaysia, by the Malaysians for Malaysia."

Laos**Vietnamese Ideology, Culture Delegation Visits****Delegation Arrives**

BK1711122193 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 17 Nov 93

[Text] Yesterday, Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee and prime minister of the Lao People's Democratic Republic [LPDR], received a courtesy call from the delegation of the Ideology and Culture Department of the Communist Party of Vietnam [CPV] Central Committee headed by Ha Dang, member of the CPV Central Committee and director of the CPV Central Committee Ideology and Culture Department, which is currently paying a working visit to Laos at the invitation of the LPRP Central Committee Propaganda and Training Board.

At the meeting, Khamtai Siphandon highly assessed the working visit to the LPDR by the delegation, terming it as a gesture significantly contributing to increasing and strengthening friendly relations, special solidarity, and comprehensive cooperation between the two parties and peoples of Laos and Vietnam, and between the ideological and cultural departments of the two parties in particular. He noted that during the visit, the two sides would be able to exchange lessons and experience on ideological and cultural work with a view to attaining a new quality for this work in each country. He also wished the delegation glorious success in its working visit to the LPDR.

The delegation of the CPV Central Committee Ideology and Culture Department arrived in Vientiane on the same day and will continue its working visit here until 23 November.

Welcoming the delegation at Wattai airport were Osakan Thammatheva, member of the LPRP Central Committee and minister of information and culture and acting chairman of the LPRP Central Committee Propaganda and Training Board, and some high-ranking concerned cadres from the two sides.

Bui Van Thanh, SRV ambassador extraordinary and plenipotentiary to Laos, was also on hand to welcome the delegation.

VNA Reports on Visit

BK1811060993 Hanoi VNA in English 0544 GMT 18 Nov 93

[Text] Hanoi VNA Nov. 18—A delegation of the Commission for Ideology and Culture of the Communist Party of Vietnam Central Committee [CPV CC] led by its head Ha Dang arrived in Vientiane on Nov. 16 for a friendship visit to Laos.

The Vietnamese delegation paid a courtesy visit to Khamtai Siphandon, chairman of the Lao People's Revolutionary Party (LPRP) Central Committee, and prime minister who welcomed the delegations's visit to Laos as a contribution to the consolidation and development of the special friendship between Laos and Vietnam. He expressed his belief that the cooperative relations between the Commission for Information and Training of LPRP and the Commission for Ideology and Culture of CPV CC will be further strengthened.

While in Laos, the Vietnamese delegation held talks with a delegation of the LPRP's commission for information and training led by Osakan Thammatheva, member of the LPRP Central Committee, and head of the commission. The two sides informed each other of the achievements recorded by the people of Laos and Vietnam in their renovation process, exchanged experiences and discussed how to strengthen the friendship cooperation between the two commissions.

Labor Delegation Begins Visit to Thailand

BK1711121393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 17 Nov 93

[Text] On 15 November, Thongloun Sisoulit, minister of labor and social welfare, led a Lao labor delegation to pay a visit to the Kingdom of Thailand to exchange lessons with the Labor and Social Welfare Ministry of that country.

According to a ministry official, during its 5-day visit to the Kingdom of Thailand, the Lao labor delegation will hold consultations with the Thai counterpart on the issues of labor, social welfare, and social security—and especially labor management and development—as well as other issues of mutual interest.

The Lao labor delegation will also visit the labor service center, the disabled care center, the orphanage, and other establishments in Thailand.

Khamsai Souphanouvong Report: 6th Installment

BK1611141593 Vientiane PASASON in Lao 25 Oct 93 p 3

[Sixth installment of "report" by Finance Minister Khamsai Souphanouvong to the Second Ordinary Session of the Third National Assembly convened in Vientiane from 27 September to 8 October, entitled: "The Implementation of the 1992-93 State Budget and the Draft 1993-94 State Budget"—date not given]

[Text] 2. Expenditure for payment of loans:

To preserve the image of the country in the eyes of domestic and foreign interests, we must promptly and fully pay back debts and loans acquired by the government from domestic and foreign sources, totaling 13.99 billion kips.

3. Expenditure for the social policy and various subsidy funds:

This expenditure is executed in accordance with the social policy and as subsidies stipulated in the government policy. It is separated from the salary system of state employees. If the salary scales for state employees are readjusted, so are some types of subsidies, such as welfare funds for children of state personnel, welfare funds for students, and many other funds. Aside from this, there is also expenditure for fulfilling the social policy, such as funds for purchasing medicine and as payment of medical bills for patients in hospitals and funds set aside as relief aid for victims of natural calamities and disasters. According to the plan, expenditure of this category amounts to 17 billion kips.

4. Expenditure for administrative and technical work:

To resolve the problems of salaries by relying on domestic capital sources, it is necessary that expenditure for administrative and technical work be kept under control—to remain at an essential level. This category of expenditure is fixed at 42.5 billion kips, an increase of 7.6 percent compared to the previous year.

5. Funds for retirement:

To continually implement the policy of streamlining and simplifying state apparatuses, 3.85 billion kips are set aside as severance pays for state employees who voluntarily resign to build the family economy.

B. The balance of expenditure for state investment:

With the consent of the Committee for Planning and Cooperation, the Ministry of Finance has requested the acquisition of 32 billion kips for investment, aside from the 89.93 billion kips derived from aid and loans from foreign and international organizations. Therefore, the total amount of funds for investing in building the socioeconomic infrastructure is 121.93 billion kips—an increase of 85 percent compared to the previous year.

The proportion of the said investment in several areas is as follows: agriculture and forestry—15.2 percent; communications, transport, posts, and construction—47.3 percent; industry and electricity energy—19.4 percent; education—7.4 percent; public health and culture—2.7 percent; and housing construction and other investment—8.0 percent.

To ensure the acquisition of 121.93 billion kips for investment, the government relies on securing 11.66 billion kips from domestic revenue sources and 110.27 billion kips from foreign sources in the forms of aid and loans with minimal conditions.

All in all, the 1993-94 budget has been totally offset by revenue collected from both domestic and foreign sources. Meanwhile, a surplus of 2.35 billion kips of this budget will be set aside as reserve funds for emergency expenses.

Part III: The complete transformation of finance and budget work to be under the new mechanisms

To effectively implement the afore-mentioned policies and to fulfill the objectives of the finance work and the budget plan, the Ministry of Finance must strive to carry out work in the following four areas:

1. To establish the national treasury.

In February 1993, the government issued a decree endorsing the establishment of the national treasury and the drafting of regulations on state auditing. If this is done, the national treasury will be separated from the banks. It will then set up accounts and begin providing savings services.

The national treasury acts as state treasurer and comptroller. It is charged with the implementation of the state budget, both in collecting revenue and handling expenditure. It controls the monetary stability throughout the country and keeps all government funds.

The Ministry of Finance has fundamentally accomplished the establishment of the treasury at the central level. In 1994, the ministry will expand its network to the provinces and some key districts with the aim of allowing only the state comptroller to have the rights to keep state funds.

2. To consolidate and build a legal foundation:

Regarding to the finance and budget work, the Ministry of Finance has already studied certain documents on the construction, deliberation, and endorsement of the state budget and certain regulations on conducting purchasing transactions with state funds and on preparing expenditure as a basis for the budget work. At the same time, the ministry must review all existing regulations and rules so as to more widely publicize them among the people for more effective enforcement, consolidation, and rectification, if necessary.

3. To adopt certain mandatory measures to manage revenue and expenditure of the budget.

First, we must see to it that responsibilities be clearly divided for the ministry and the provinces in the management of the budget along the vertical line under the condition that the state regulations on state auditing be implemented.

The state regulations on auditing clearly spell out the details of the mechanisms used in calculating and collecting revenue and the mechanisms used in spending the budget. According to these regulations, the finance minister and the provincial governors and lord mayors are designated as local representatives of the various ministries concerned as persons having authority to collect revenue and to spend the budget in accordance with existing laws and regulations and the budget spending plan endorsed by the National Assembly.

To transform the budget to be under the regulations and to manage it in a way that irrelevant spending be prevented, I would like to propose the following measures for implementation:

- To continually consolidate and revise all laws and regulations which were enforced in the construction of the 1992 and the 1993-94 budget plans and to enact new ones for enforcement; for example, for regulating the purchase of materials used in administrative and technical work. The Ministry of Finance will study the list of material goods with a view to determining their required standards and ceiling selling prices.
- To promote domestic business operations, the Ministry of Finance must adopt a tax policy which only serves to promote the national economy. At the same time, the ministry must set up a rule to prohibit the use of any state budget for purchasing foreign goods and services if they can be produced locally, such as desks, chairs, couches, and medicine. Foreign goods must be purchased through state-owned shops if such enterprises exist.
- After an expenditure has been dispensed from the budget, the Ministry of Finance must regard it as an important task to conduct a follow-up to evaluate the outcome of such spending to determine whether it is worthy and, especially, effective or not. The starting point of this task lies in the construction of the 1993-94 budget plan in which the expenditure has been categorized in accordance with the nature of plans or projects concerned.

Philippines

Ramos Concerned Over NAFTA Export Impact

BK1811093693 Quezon City Radio Filipinas in English 0230 GMT 18 Nov 93

[Text] President Ramos has expressed concern over the impact of the North American Free Trade Agreement, or NAFTA, on the similar trading arrangement in the ASEAN and on Philippine exports. This is according to a report from the Department of Foreign Affairs [DFA], yesterday. The Foreign Affairs Department official said the president believes that the NAFTA could pose problems to the Philippines in the areas of investment and trade diversions if approved by the U.S. Congress.

Reports from Philippine missions in the United States, where the president is on a working visit, quoted the chief executive as saying that members of the Association of Southeast Asian Nations do not want regional trading blocks to be established all over the world. The ASEAN Free Trade Agreement, or the AFTA, is geared towards the opening of intra-regional trade so that tariffs among member countries would be more than six percent. The DFA said that while the Philippines welcomes NAFTA as a way of opening up trade, he said it would be very difficult for AFTA if the American free trade

agreement through Mexico becomes a conduit to other countries in Central and South America.

The DFA quoted the president as saying that as long as the established quotas for some important Philippine exports like sugar and garments are not affected, the Philippines could endure NAFTA. The Department of Foreign Affairs policy paper on the forging of a new R.P.-U.S. relationship under the Clinton administration said that NAFTA poses serious concerns for Philippine exports since the big threats of investment and trade diversions can become realities through NAFTA.

A study on U.S. investments in three ASEAN countries by American Professors (Mordechai Krenin) of the Michigan State University and Michael (Plumber) of the East-West Center in Hawaii showed that Mexico could lure investments from ASEAN in some key industries like food, textiles, chemicals, metal products, and electrical and electronic items. The policy paper said that while trade diversion is expected to be minimal, because the average U.S. tariff is only five percent, NAFTA could still affect some important exports like sugar, garments, automobiles, and tuna. According to the DFA or Department of Foreign Affairs, the Philippine Government's concern should, therefore, focus on potential for discrimination against Philippine goods as the NAFTA rules of origin will discriminate against these Philippine exports.

Ramos Lifts Requirement for Returning Retirees

BK1611055593 Quezon City Radio Filipinas in English 0230 GMT 16 Nov 93

[Text] President Ramos has agreed to lift the requirement for retiring Filipino-American citizens to put up a \$30,000 investment as a condition for their permanent return to the Philippines. The president made the move in response to a petition by Filipino-American associations in New York, Massachusetts, Maine, Rhode Island, Vermont, and New Jersey. The appeal was handed to him in New York City where he met with some 3,000 Filipino expatriates at the Javits Center. The petitioners said that while many of them would want to return home, they could not afford the \$30,000 investment requirement.

MNLF Pledges To Help Rescue Missionary

BK1811091193 Quezon City Radio Filipinas in English 0230 GMT 18 Nov 93

[Text] Kidnapped American Charles Walton is being held captive by a group of former Moro National Liberation Front [MNLF] rebels known as Abu Sayaf. Interior and Local Government Secretary Rafael Alunan says Jolo Governor (Tupay Lo-ong) informed him about this. Alunan says Governor (Lo-ong) also assured that Walton is alive and has been transferred to Patikul, Sulu.

Meanwhile, National Bureau of Investigation Director Epimaco Velasco says his agency is coordinating with

other law enforcement groups. He said the FBI has offered its technical expertise for the purpose.

In a related development, the Moro National Liberation Front has also offered to help the government in the latest kidnapping case. The offer was made during the meeting with government peace panel yesterday. Both panels agreed that the recent spate of kidnappings in Mindanao has not affected the peace process. Government panel chief Manuel Yan has asked the military and the police to exercise caution in the handling of the case.

Meanwhile, Moro National Liberation Front representative to the Organization of Islamic Conference Dr. Abdul Rahman Amin says MNLF chairman Nur Misuari has already ordered an investigation of the kidnapping.

Vice President and PACC [Presidential Anti-Crime Commission] Chairman Joseph Estrada leaves today for Zamboanga City and Sulu to personally lead efforts to obtain the release of Walton. Estrada heads a five-man committee composed of the chief of the Philippine National Police, the Armed Forces of the Philippines, the Presidential Anti-Crime Commission, Department of Interior and Local Government, and the National Bureau of Investigation tasked to track down Walton and his abductors.

Commentary on Communists' 'Internal Squabble'

BK1811090793 Manila THE MANILA CHRONICLE
in English 16 Nov 93 p 4

[Editorial: "The Real Reason Behind NDF's Delay"]

[Text] Talks between the government peace panel and the Utrecht-based leaders of the National Democratic Front (NDF) were supposed to have begun yesterday, 15 November, in Ho Chi Minh City. Government has bent over backwards to accommodate the NDF demand for talks to be held outside the Philippines. Former National Unification Commissioner Haydee Yorac was, in fact, adamant over holding the talks on Philippine territory.

In a letter dated 5 November, however, NDF representative Luis Jalandoni notified Ambassador Howard Dee, chairman of the government panel, asked for a postponement. Jalandoni said he was still "engaged in a process of consultation with the national leadership of the Philippine revolutionary movement which is based in the Philippines."

Ambassador Howard Dee did not complain. A kind and forgiving man, he seems willing to keep on bending backwards to accommodate every whim Jalandoni asks for. Dee is also keen on keeping relations cordial, the better to keep alive the tenuous line between his committee and the taciturn rebels holed up in Holland.

Dee even went so far as to explicitly deny that CPP [Communist Party of the Philippines] organizational problems were the reason for the delay. "The activities of

small groups within the CPP," said the patient ambassador, "would not in any manner disturb or influence the exploratory talks." He is not lying. But the full complexity of the truth appears to escape him.

Jalandoni offered a flimsy excuse for the delay. Since last year, he and his little gang in Utrecht have kicked the habit of consulting with locally-based comrades. They issue instructions. They order purges. They produce the basic CPP documents. They even issue "fax attacks" against errant colleagues. Their diminishing tribe of fanatical colleagues here simply obeyed. It has become impossible to imagine a "process of consultation with the national leadership of the Philippine revolutionary movement." Ever since Jose Ma. Sison and Luis Jalandoni completed their coup last year, they have become the leadership of what is left of the CPP-NDF [Communist Party of the Philippines-National Democratic Front].

There is every reason for Jalandoni and company to begin the talks as soon as possible. The Mindanao cadres of the CPP have not yet declared "autonomy" from the pro-Sison camp—although they are on the verge of doing so. There are louder voices from the leftist movement questioning Jalandoni's credentials for representing, even as a mere formality, the NDF. Those voices are bound to become even louder. Government has not opened lines to the oppositionist factions of the CPP—and those factions have not found it worthwhile to negotiate with government either.

Sison and Jalandoni need the talks to get started soon. These talks will restore some of their lost prominence. They could use this as leverage in the deepening internal dispute within the movement they purport to lead.

There is, in short, a more urgent reason for the delay than what Jalandoni offers and what Dee is prepared to speculate upon. A quick check with informed sources in Holland unearths that reason.

It turns out that Jalandoni's group is short of personnel to conduct the talks with some degree of respectability. If the talks pushed through on schedule, only Jalandoni and wife (and possibly a statureless NDF operative hiding out in Sweden) would have been available to meet with Dee. Sison and NDF Chairman Antonio Zumel (a.k.a. "Manuel Romero") have their asylum cases pending and could not step out of Dutch territory. Jalandoni and his wife have both acquired Dutch citizenship and could travel on Dutch passports. But the husband-and-wife team, both of foreign citizenship, would have constituted a sorry sight in Vietnam.

The reason for the shortage of personnel is the internal squabble. Earlier this year, Sison and Jalandoni purged seven of the eight members of the NDF Western Europe council. The duo is not on speaking terms with the NDF group in the United States. The most prominent local leaders have crossed to the side of the CPP opposition.

While it is true that the anti-Sison CPP groups are not pressing for representation in talks they expect to fail, it is not quite accurate to say that the deepening squabble in the ranks of the CPP-NDF does not figure in the delay of the talks. The personnel shortage confronting the Jalandoni is a direct consequence of the squabble. [as published]

The government panel cannot, in the name of politeness, sweep the facts under the rug. The peace initiative must now be adjusted to crucial developments in the ranks of the communists if it is to remain viable.

Thailand

Deputy Foreign Minister on Workers in Libya

BK1811080493 Bangkok Radio Thailand Network in Thai 0000 GMT 18 Nov 93

[Text] Surin Phitsuwan, deputy minister of foreign affairs, talked to reporters about the progress of the issue concerning Thai labor in Libya.

He said that efforts are being made through talks with the Libyan authorities, asking them to soften their position toward the Thai workers. In the process, a fine response has been shown by Libya since it has not issued any strong measures. Libyan embassies in every capital city that Thai embassies have contacted confirmed that they have not received any instructions indicating prohibitions against Thai workers coming to Libya.

In addition, the deputy foreign minister also said he will leave for Japan today to attend a United Nations meeting at Kyoto University on Thailand's foreign policy toward neighboring countries. The academic seminar has been organized by Kyoto University and Thailand's Thammasat University. He will also inform high-level officials of each participant country in the meeting about the problem of Thai labor in Libya.

Burmese Troops Leave 'Disputed' Island

BK1811014593 Bangkok THE NATION in English 18 Nov 93 pp A1, A4

[Text] About 40 Burmese troops who landed on a disputed island in the Andaman Sea have withdrawn following negotiations with Thai Border Patrol Police (BPP). Ranong officials raised an outcry when the soldiers moved from a Burmese island, Ko Son, and set up camp on nearby Ko Lam on Sunday. BPP officers met Burmese officials on Tuesday. They inspected Ko Lam yesterday and reported that Rangoon's troops had withdrawn.

Several Ranong officials claimed Ko Lam and two other neighbouring islets, Ko Khan and Ko Khinok, belonged to Thailand. However Deputy Foreign Minister Surin Phitsuwan said yesterday the three islands, about 10 km offshore from Ranong, were considered "no-man's land". Surin said Thailand had signed treaties with

Britain in 1868 and 1934, stating that neither Bangkok nor Rangoon, which was then ruled by Britain, would claim sovereignty over the three islands. The minister said it was possible that local Burmese troops on Ko Son, opposite Ko Lam, did not know about the treaties.

"Don't be panicked by the issue," Surin said. "We have been negotiating with Rangoon over border disputes. Many points have yet to be settled."

Several Ranong officials were earlier reported as charging that the Burmese troops had encroached on Thai sovereignty and earlier built a pagoda on Ko Lam on the side of the island facing Burma. The pagoda was destroyed, with no one claiming responsibility, and Burmese troops subsequently moved to Ko Lam, the officials claimed. Border police who inspected Ko Lam yesterday said the island was deserted, but confirmed finding the wreckage of a small pagoda. They said the Burmese had agreed to leave after it was explained to them that ownership of the islands was still in dispute.

An intelligence source in Ranong told THE NATION that the Burmese troops had moved to Ko Lam in search of a new outpost. The source said the Burmese government had given a 30-year concession to a Thai firm to lease and develop Ko Son as a resort island. This would eventually require the relocation of the Burmese military outpost, and it seemed the troops had moved to Ko Lam. He suggested the Burmese had agreed to pull back so readily because they had realized the tiny island did not have enough fresh water.

Thai authorities had checked with their Burmese counterparts from the local level joint border committee and been told they did not know anything about the movement of the Burmese troops from Ko Son.

The source said the pagoda might have been destroyed by Thai fishermen who feared that Burmese troops would use it as a demarcation line and arrest them when they fished near the three islands.

Waithaya Ungphakhon, assistant provincial governor of Ranong, confirmed to The Nation that a pagoda was built on Ko Lam in October and finished this month.

Waithaya added that there were no valuable natural resources on Lam or the two nearby islands. The pagoda had not been visible from Thai soil because it was built under a cliffside visible only from Burma.

Lt Gen Chettha Thanacharo, First Army commander, said yesterday he believed the dispute over the islands' sovereignty could be settled by negotiation. The political situation in Burma now was suitable for a Thai government approach for talks to fix the border.

Fourth Army commander Lt Gen Kitti Rattanachaya said according to the military's maps the three islands belong to Thailand, but this was a matter to be settled by the two governments. Kitti said he learned that Thai villagers had seen Burmese settle on Ko Lam and restore an ancient pagoda. Although the military believed the

three islands belonged to Thailand, he also felt it was an issue to be settled by negotiation.

Col Akanit Muansawat, a close aide of Kitti's, said the Army would ask any Burmese who settled on Lam island to move.

The Fourth Army had sent a letter to the Burmese government advising that the three islands belonged to Thailand and that any Burmese residing on them be told to move.

Cambodian Minister Views Bilateral Ties

BK1711015493 Bangkok BANGKOK POST (INSIDE INDOCHINA supplement) in English 16 Nov 93 p 1

[Text] Cambodian Foreign Minister Prince Norodom Sirivut has expressed confidence in the new direction of Cambodian-Thai relations, but would like to see high level visits from Bangkok "as soon as possible" to confirm Thailand's position vis-a-vis its neighbour. Prince Sirivut told INSIDE INDOCHINA that Cambodia would like to have "specially good relations" with all three neighbours.

"With Vietnam, we say normalisation, with Laos we say privilege, with Thailand, we would like to improve more and more the good relations, based on equal footing, mutual respect, independence, integrity, and sovereignty. We trust that we have common tradition, common thinking, and perception of our society; the one new element is kingdom-to-kingdom (relationship), that's very important a new page (in the history of bilateral relations) for both countries," Prince Sirivut said.

He said he would like his Thai counterpart, Squadron Leader Prasong Sunsiri and also Prime Minister Chuan Likphai to officially visit Phnom Penh as soon as possible, and issue a formal declaration to show the international community the two countries have good relations. Prasong is expected to visit Phnom Penh in December. Prince Sirivut said he would like Chuan to come in January.

Thailand is facing mounting criticism from various sides for its involvement in Cambodia. The strongest attack has been that "Thailand thinks Cambodia is a Thai province". Thailand has been accused of maintaining its support for the Khmer Rouge who dropped out of the United Nations peace plan and who still refuse to accept the internationally-recognised government in Phnom Penh.

The controversial 99-year contract obtained by International Broadcasting Corporation (IBC) Cambodia, a subsidiary of Thai telecommunications giant Shinawatra Group, had come to symbolise Thai economic exploitation and cultural invasion of its smaller neighbour. The deal was rewritten recently for 30 years, but it is still

unclear whether it will fit into the new foreign investment law, taxation law, and broadcasting direction law to be issued by the Cambodian Government.

Prince Sirivut said he hoped for the high level visits to confirm Thailand's choice between the "legals or the illegals", non-interference in Cambodia's internal affairs, and recognition that the Khmer Rouge is Cambodia's internal problem. He said there had been conflicting messages from various sectors in Thailand.

"I hope that during Sqn Ldr Prasong's visit, there will be a formal declaration. I don't care about the Royal Thai Army, it is supposed to be under the Royal Thai Government.

"You know someone came to see me and said, 'You know we support you but we have some problems with some Thai generals on the border.' You just move them out and put (in) the new one. I'm happy and very confident that we are in a good move and I have some assurance from the Royal Thai Government that the choice is clear now to (offer) support to Royal Cambodian Government. But from time to time, I'm surprised to read in the Press that some Thai general said something. It's very interesting. One day we hear the Royal Thai Government is in a good move, then we hear a general say it's difficult for us to consider the Khmer Rouge as outlaws because they still have headquarters in Phnom Penh; it's not an argument. In a democratic framework the army is not the voice and the spokesman of the government. I don't allow any Army here to talk to the international Press as the spokesman of the Government," said Prince Sirivut.

A number of Thai officials feel that "a third party" is trying to sabotage relations between Thailand and Cambodia. Prince Sirivut said "perhaps it is the Khmer Rouge". He said the Khmer Rouge had been reduced from a tiger to a cat and that it was better to keep the cat in the living room.

"We want to achieve national reconciliation and reconstruction, and the Khmer Rouge scare away foreign investment," he said. He said Thailand's international prestige had been damaged. "Even ASEAN members told me they did not understand what Thailand wants. All ASEAN members—Indonesia, Malaysia, Singapore—told me in New York they tried very hard to convince their Thai friends. They said because they are ASEAN, they feel uncomfortable because they support the peace process. Some people don't really know Thailand," said Prince Sirivut.

He also asked that Thai business consider the balance between the "legals" and "illegals" and stop trading with the Khmer Rouge.

Recently, Economy and Finance Minister Sam Rangsi and Industry, Mines, and Energy Minister Peou Sothirak were in Bangkok to discuss the possibility of setting up a "consultative commission" to oversee economic issues

between the two countries. This commission is expected to bring into line all Thai investment in the country.

Prince Sirivut said there was also room for cooperation in the field of economic and human resource development, and that Cambodia wished to learn Thai know-how in agro-technology. On other issues, he said border demarcation, which has been blurred over decades of war, was not a problem and was not a priority for discussion with Bangkok for now.

"For Cambodia, it's not a problem, we just base it on the old demarcation of the 1960s during the time of King Sihanouk, which Thailand and the international community recognised. There is nothing to negotiate, it's not the priority, we can take time," he said.

Prince Sirivut said Thailand had contributed a lot to the peace process in Cambodia: "That's a fact and we appreciate it very much."

He expressed the hope that with the new beginning in Cambodia Thailand will respect and help its neighbour. He added: "We are impressed with the good work of (outgoing Thai) Ambassador Sunai (Bunyasiriphan); he has good understanding about Cambodia and he has resolved issues in a very diplomatic way. "We appreciate very much his presence and hope that the next Thai Ambassador (Sakthip Krairoek) will continue his very good job," he said.

Group Claims CFC Substitutes Weaken Ozone

*BK1811020993 Bangkok BANGKOK POST in English
18 Nov 93 p 6*

[Text] Success claimed in the global reduction of ozone-depleting substances were marred by charges from Greenpeace International that use of so-called "interim" substitutes for chlorofluorocarbons (CFCs) suggested under the Montreal Protocol would even worsen the ozone loss.

The international environment organisation said yesterday substitutes for ozone-depleting CFCs, such as hydrochlorofluorocarbons (HCFCs) and hydrofluorocarbons (HFCs), were themselves harmful to the global environment.

HCFCs, used as substitutes for CFCs in producing foam insulation for household refrigerators and in commercial refrigeration, destroy stratospheric ozone. The chemicals are subject to phase-out by the year 2030 in industrialised nations. Greenpeace said HCFCs produced now would add to ozone layer depletion in the next 10 to 20 years and claimed that any additional use of these substances is environmentally irresponsible.

HFCs, promoted as alternatives to CFCs, cause global warming. According to Greenpeace one kilogramme of HFC134a has the global warming potential of 3,200 kilogrammes of carbon dioxide, the major greenhouse

gas. It said environmentally safe alternatives, which exist, should be preferred as substitutes for CFCs over these "interim" substitutes.

Greenpeace yesterday claimed that parties to the Montreal Protocol on Substances that Deplete the Ozone Layer were falling back on their commitment to protect the ozone layer.

"Despite some progress made on funding for ozone-friendly technology transfer and development in developing nations, the parties appear to be backsliding on their most fundamental objective—phasing out all ozone-depleting chemicals and bringing on line environmentally-sound technology as rapidly as possible," said Michael Affleck, Greenpeace International ozone coordinator.

Mr Affleck said efforts to establish firm criteria for adopting permanent, ozone-friendly alternatives rather than interim chemical substances that have adverse environmental impact might have been blocked in some developing countries which were able to secure renewed and increased funding for technological transfer to phase-out CFCs. He said it was developed nations which would benefit from the transfer of technology. These countries, mainly the producers of the interim substitutes and exporters of the technology, would be able to take back their money contributed to the Multilateral Fund through the selling of the interim chemicals and the technology to developing nations.

He questioned why parties to the Montreal Protocol did not begin to use environmentally sound alternatives now instead of waiting until 1995 when a review is scheduled of control measures applicable to the developing countries with respect to HCFCs, HBCFs and Methyl Bromide.

Greenpeace's arguments about action to reduce ozone-depleting substances came at a time when the fifth meeting of parties to the Montreal Protocol is being held in Bangkok by the United Nations Environment Programme.

Kamal Nath, India's minister of the environment and forests and president of the fourth meeting of parties to the protocol, earlier told a press conference that the protocol was on the way to successful implementation, although some countries have yet to join and the Copenhagen Amendment, which agreed environmentally safe alternatives should replace the interim substitutes, has yet to be ratified. Mr Nath, however, said that even though there was a need to phase out CFCs and other ozone-depleting substances, industries could not switch overnight and the protocol should not adversely affect industrial strategies of developing countries.

Vietnam

Remains of Possible MIAs Found in Indochina

*BK1811083693 Hong Kong AFP in English 0819 GMT
18 Nov 93*

[Text] Hanoi, Nov 18 (AFP)—The latest U.S.-Vietnamese search mission for U.S. servicemen missing in Indochina found human remains and information that could clarify several missing-in-action (MIA) cases, the Foreign Ministry said Thursday. The mission looked into more than 100 MIA cases, U.S. sources in Hanoi said, but it was too early to give an exact number of how many remains were identified. The remains of at least 16 presumed MIAs were repatriated to the United States in early October after the previous search mission.

The mission, the 26th since searches began in 1988, lasted from October 21 to November 16 and was conducted in a record 19 provinces in the north and south of Vietnam. A total of 2,248 U.S. servicemen are listed as missing in Indochina. Washington has named 92 cases which it especially wants to clear up.

U.S. and Vietnamese specialists, working together, also looked into reports that American prisoners of war (POWs) had been seen alive in the southern province of Minh Hai, a Foreign Ministry spokesman said. But they found no proof. The specialists questioned witnesses, particularly in the cases of servicemen who died while prisoners before 1973, and studied military records in Hanoi and in regional museums, the spokesman said.

Further afield, joint search teams exhumed a number of presumed MIA remains in Laos, spokesmen at U.S. headquarters in Hawaii for the operation said. Analyses were continuing and it was not yet possible to determine an exact number of individuals identified by their remains, a spokesman for the armed forces central identification laboratory said.

A U.S.-Laotian team which investigated 24 MIA cases excavated two U.S. aircraft crash sites in Sekong and Saravane Provinces in the country's south, the spokesman said, and recovered human remains from the wreckage of one military plane.

The Laos mission, the 13th since the programme began in January 1992 to investigate the cases of 514 Americans missing there, ended at the beginning of this month.

The next joint search mission, beginning in early December on the Laos-Vietnam border, will comprise specialists from the United States, Vietnam and Laos for the first time.

Romanian Foreign Minister, Delegation Visit

Minister on Economic Ties

*BK1711065193 Hanoi VNA in English 0631 GMT
17 Nov 93*

[Text] Hanoi VNA Nov. 17—Romanian Charge D'Affaires A.I. [ad interim] in Vietnam D.M. Barliba held a press conference here yesterday afternoon on Romania's external policy and its relations, with Vietnam.

Speaking at the conference, Romanian State Minister G. Timca, who is on a working visit to Vietnam said that Romania has many possibilities to cooperate with Vietnam specially in the building of technical infrastructure, oil and gas, building techniques and materials, etc. In the coming time Romania will push up the import of Vietnam's products, aimed at creating the balance of export and import between the two countries.

Also on this occasion, Mr. G. Timca also expressed his pleasure at the multi-sided achievements recorded by the Vietnamese people in their national reconstruction and his wish for the further development of the relations between Vietnam and Romania.

Delegation Ends Visit

*BK1711142593 Hanoi VNA in English 1413 GMT
17 Nov 93*

[Text] Hanoi VNA Nov 17—A delegation of the Romanian Ministry for Foreign Affairs led by State Minister Gheorghe Tinca today concluded a five-day visit to Vietnam as guest of Vietnam's Ministry for Foreign Affairs.

While here, delegation paid a floral tribute to President Ho Chi Minh at his mausoleum. The guests were received by Vice Prime Minister Phan Van Khai. State Minister Tinca conveyed Romanian Prime Minister N. Vacaroiu's letter to Prime Minister Vo Van Kiet in which he expressed the Romanian Government's determination to strengthen the traditional friendship and cooperation between Romania and Vietnam in the new situation. They were also received by Foreign Minister Nguyen Manh Cam.

The delegation held talks with a delegation of Vietnam's Ministry for Foreign Affairs led by Deputy Minister Nguyen Dy Nien. The two sides exchanged views about the relationship between the two countries and some issues of common concern. They discussed measures to further develop the traditional friendship and cooperation between Vietnam and Romania for the interests of both sides, and for world peace and cooperation. They signed an agreement on cooperation between the two ministries.

The guest delegation had working sessions with the senior officials of the Ministry of Trade, the State

Commission for Cooperation and Investment, the Ministry of Construction and the Vietnam-Romania Friendship Association. It also visited a number of economic and cultural establishments in Hanoi and the port city Haiphong.

Singapore Minister Visits Ho Chi Minh City

BK1711132993 Singapore Singapore Broadcasting Corporation in English 1100 GMT 17 Nov 93

[Excerpt] Senior Minister Lee Kuan Yew has arrived in Ho Chi Minh City for a five-day official visit. His visit is at the invitation of Prime Minister Vo Van Kiet. Mr. Lee will meet among others President Le Duc Anh and Mr. Du Muoi, the secretary general of the Communist Party of Vietnam. Mr. Lee is accompanied by Mrs. Lee; Minister for Information and the Arts and second minister for foreign affairs Brigadier General George Yeo; and the minister of state for finance and communications, Commodore Teo Chee Hean. [passage omitted]

Interior Ministry Opens Visa Office in Danang

BK1711141593 Hanoi VNA in English 1407 GMT 17 Nov 93

[Text] Hanoi VNA November 17—The Ministry of the Interior has set up a representative office for the entry and exit management in the central and central highlands region.

The visa office located at Danang City. It began operation as from Nov. 15.

In addition to two visa offices in Hanoi and Ho Chi Minh City, the office in Danang will also provide entry-exit visa service to Vietnamese nationals as well as foreigners in the central and central highlands provinces.

Do Muoi Addresses National Peasants Congress

BK1811062593 Hanoi VNA in English 0605 GMT 18 Nov 93

[Text] Hanoi VNA Nov. 18—The second national congress of the Vietnam Peasants' Association opened here this morning in the presence of highest leaders of the country where peasants account for about 80 percent of the population. Those distinguished guests include Party General Secretary Do Muoi, President Le Duc Anh, National Assembly Chairman Nong Duc Manh and Prime Minister Vo Van Kiet.

Attending the two-day national congress are 600 representatives of seven million members of the association out of the total more than 50 million peasants throughout the country.

The congress will review the peasants' movement and the association's activities over the past five years. The congress will work out the main orientations and tasks for the next five years, amend the association's statute, and elect a new leadership.

The report of the Central Executive Committee of the Association delivered by its President Nguyen Van Chinh pointed out that the peasantry with the Vietnam Peasants' Association as the core, has over the past five years, implemented the party's renovation policy, strongly boosted the spirit of creativeness, hardworking, self-reliance, unity, mutual aid and cooperation, as well as the might of the alliance between the working class, the peasantry and the intelligentsia, and scored major achievements in agriculture, thus substantially contributing the country's efforts to get out of its socio-economic crisis and firmly maintain political stability. The report brought out the association's progress in mobilizing the peasants to take part in economic social development and to building of new countryside. However, the report stressed, many rural areas have developed slowly, farmers many regions still meet with difficulties and the activities of the Vietnam Peasants' Association have still been restrained in several aspects.

The report also dealt with major orientations and tasks of the association in the 1993-98 five-year term, namely to continue to renovate its organization, the contents and method of work of the association, to mobilize and organize the activities of the association members and the peasantry as a whole in implementing the resolution of the fifth plenum of the Party Central Committee on the continued social and economic renovation and development in the countryside.

Addressing the congress, party General Secretary Do Muoi said: 'Our party, state and people are proud of and have highly appreciated Vietnamese peasants' role in our cause of national liberation, construction and defence. On behalf of the party and state I highly appreciate the peasant class for those great services.'

General Secretary Do Muoi pointed to the immediate tasks of primary importance for the association namely to all-sidedly develop rural economy to raise autonomy of peasant's household economy, particularly cooperative-member households and public employees' households at state agricultural farms and forest camps, and to encourage private economy in agriculture to broaden different forms of joint venture in production fields to step up the building of economic, cultural and social infrastructure to strengthen, the production force and social welfare to develop cultural and social activities to raise the people's material and cultural welfare, the people's cultural standard democracy in the countryside.

Concluding his speech, Mr Do Muoi said: 'The mobilization of peasants is one of the most important tasks of the party. The administration from the central to grass-roots levels must create favourable conditions to help the Vietnam Peasants' Association effectively carrying out its activities. Firstly, it's necessary to collaborate with the peasants' association to work out plans on the execution of the policy of allotment of lands for long-term use to peasant households, and other policies along the spirit and contents of the resolution of the 5th plenum of the Central Committee of the Communist

Party of Vietnam, and the state laws to ensure democracy, solidarity, social equality to fight against smuggling and corruption to eliminate negative social phenomena to maintain social order and disciplines, thus taking the country side's economy and society to a new step of development.'

The congress will last until November 19.

Vo Van Kiet Visits Construction Projects

BK1811105793 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 17 Nov 93

[Report by station correspondent Dinh Khai]

[Summary] Dear friends, the 66-megawatt Vinh Son Hydroelectricity Station Project was started in the third quarter of 1991 in a mountainous area which lies between Binh Dinh and Kon Tum Provinces. Today, the station has displayed its main features of a modern hydroelectricity station. At a meeting with the management of the project, "Prime Minister Vo Van Kiet pointed out the important role of this station in the socioeconomic development of Binh Dinh Province and central Vietnam. He urged them to complete the project as planned so that the first turbine can start at the planned time."

At the Thac Mo Hydroelectricity Station Project in Song Be Province, the prime minister inspected main construction sites and listened to reports presented by the project management board. He recommended the workers for having accomplished a great part of the project. "He confirmed that with the result of their work in the past two years, it is possible to believe that the first turbine can start by late June 1994. He said:

[Begin Vo Van Kiet recording] "On behalf of the government, I praise the efforts of cadres, workers, and specialists. Your accomplishment will relieve the pressing demand on electricity at the moment. It is interesting to know that the 500-kilovolt Electricity Transmission Line has been progressing according to the plan. Therefore, when we run the line in April 1994, Thac Mo and Vinh Son Hydroelectricity Projects will also start their first turbines in June. That means by the end of 1994, the entire 500-kilovolt line project, the Thac Mo Hydroelectricity Station, and the Vinh Son Hydroelectricity Station can be put into use. So, we can say that 1994 is the electricity year of Vietnam. After that, we can basically end the constant shortage of electricity in our country, extricating ourselves from being starved for electricity. This is a joy for us, and we should be proud of it. [end recording]

"Dear friends, Prime Minister Vo Van Kiet also reminded us that experiences should be drawn from the construction of the Hoa Binh Hydroelectricity Station Project in moving the people away from the basin. He also suggested that the planning for the electricity service in Phuoc Long District must be done immediately so that the people around the station and the newly resettled people can enjoy the electricity service from the Thac Mo power station."

The prime minister also paid a working visit to the electricity transformer stations in Danang and Phu Lam and some electricity post foundations in Hoc Mon District of Ho Chi Minh City. "In those places, after inspecting the work, he was pleased at the result. He also urged them to strive harder to work more quickly.

"On the visit to the Thac Mo Hydroelectricity Project, Prime Minister Vo Van Kiet also held a working session with the leaders of Song Be Province to discuss local socioeconomic issues."

Australia

Government 'Cautiously' Welcomes NAFTA Vote

*BK1811055093 Melbourne Radio Australia in English
0500 GMT 18 Nov 93*

[Text] The Australian Government has cautiously welcomed the passing of the North American Free Trade Agreement [NAFTA] by the U.S. House of Representatives. Australia's defense minister, Robert Ray, says the vote represent a victory for outward-looking forces in American trade policy. Senator Ray said the congressional vote could provide the stimulus for the United States to push for an outcome in the current Uruguay Round of the world trade talks. Senator Ray said the vote should also strengthen President Clinton's plan in pushing for further trade liberalization in the Asia-Pacific region through APEC, the Asia Pacific Economic Cooperation forum.

Defense Minister on Future Military Threat

*BK1811064293 Melbourne Radio Australia in English
0500 GMT 18 Nov 93*

[Text] The defense minister, Robert Ray, says any future military threat to Australia is likely to come from outside the immediate region. Senator Ray made the remarks while turning the first sod at the construction site for a new defense college in Canberra today. The defense minister's comments follows claims by the architect of Australia's current defense policy, Professor (Paul Bibb), that rapid economic growth and an arms buildup in Asia could eventually spark a regional war. Senator Ray says strong and viable defense forces in Australia's immediate region provide one of the best protections from outside aggression.

Committee Reviews Relations With Indonesia

*BK1811111393 Melbourne Radio Australia in English
0630 GMT 18 Nov 93*

[From the "International Report" program]

[Text] An Australian Government committee has tabled in parliament a report which finds relations between Australia and Indonesia that have improved markedly in recent years. The report by the Foreign Affairs, Defense, and Trade Committee follows a 17-month inquiry into all aspects of links between the two neighbors. Linda Mottram reports that the inquiry was dominated by Australian concerns about human rights and the practice of Indonesian fishing in Australia's northern waters.

[Begin recording] [Mottram] This 300-page report with 36 recommendations ranges wildly from defense relations to educational and cultural ties and business links as well as human rights and Indonesian fishing off Australia's northern coast. It's underpinned by a view that is immensely valuable for Australia to have a good and constructive relationship with such a large and

rapidly growing neighbor. But it also attempts to accommodate what the Foreign Affairs Subcommittee Chair Laurie Ferguson said was the issue that engendered greatest interest during the inquiry, human rights. The report argues against culturally relativistic views of human rights and it says it's Australia's duty to argue that human rights must be universally observed.

[Ferguson] A major recommendation in the matter is that the Australian Government comply to my representations about the principles and practice of human rights in the region. East Timor, Irian Jaya, and Aceh are areas of special concern. We have also recommended the reopening of the Australian consulate in Dili. The committee believes this will be a recognizable and diplomatic statement of Australia's concerns about East Timor and provide the Australian people with worthwhile information of any (?advances) in this matter.

[Mottram] Mr. Ferguson also described as unfortunate the inability of the committee to visit East Timor when it embarked on a study tour of Indonesia last October. But several of the report's recommendations, like setting up a Dili consulate and reestablishing a direct Darwin-Dili air service, appear to be aimed at finding new ways to couch human rights matters in a wider context of increasing contact between the two nations. Fishing by Indonesian nationals in Australia's northern waters was also a major issue of the inquiry. It in fact sparked the inquiry in the first place. Laurie Ferguson told parliament that while economic necessity was forcing many Indonesian nationals to fish illegally, there were also problems with existing legal arrangements.

[Ferguson] The 1974 memorandum of understanding [MOU] with Indonesia was negotiated to solve a number of problems. Among other things, it governs the right of traditional Indonesian fishermen to limit their fishing work on the other edge of the continental shelf. Since then, (?odd) situations have arisen and the MOU does not deal with all categories of fishermen, who should be considered as traditional. Moreover, arrangements for fishermen of both nations in the Arafura Sea are not satisfactory. We recommend a thorough examination of all aspects of Indonesian fishing in Australian waters.

[Mottram] The committee had an eye to building on what Mr. Ferguson said was now open and positive relationship after what had previously bordered on xenophobia. Differences should not be overemphasized, Mr. Ferguson cautioned in parliament, for the committee also recommends ways to expand and improve defense ties, it suggests better training on human rights issues for Australian officials being posted to Indonesia, broader and deeper cooperation in educational, scientific, and cultural proceeds including a video series on Australia for use in Indonesia, and the translation of a core of Australian books into Bahasa Indonesia. Austrade, it suggested, should prepare a business guide to Indonesia while another Australian consulate is suggested for Surabaya in East Java, a region of growing importance to Australian business. And the Australian government gets

a slut for plans to wind back resources to the Australia-Indonesia Institute. Mr. Ferguson noted this is not a satisfactory state of affairs for an institute that is central to a relationship the Australian Government itself acknowledges as crucial. [end recording]

Solomon Islands

Government in 'Crisis' After Ministers Defect

*BK1811135693 Melbourne Radio Australia in English
0630 GMT 15 Nov 93*

[Text] In the Solomon Islands, the five-month-old national coalition government is facing a crisis following the defection of three ministers to the opposition. The defections leave a doubt over the government's numbers and its ability to carry out its reform program, although South Pacific correspondent Erina Reddan reports the government is confident it can go ahead with the tabling of its first budget within a couple of weeks.

[Begin recording] [Reddan] It was thought the weakness in the ruling national coalition partnership would be its fragile grouping of seven parties; but the three ministers who have defected are all from the People Alliance Party. It's a bad blow to the government who came in last June with a strong reform platform to develop the limping economy and stop the wholesale cutting down of the country's forests. But the opposition hasn't let the government breathe easily. After number of unsuccessful legal challenges to the government it offered Education Minister Dennis Lulei the deputy PM's [Prime Minister] job if the opposition group for national unity formed the government. After Mr. Lulei let it be known he could be wooed by such an offer, the government sacked him. He was followed several days later by two other ministers, Eric Seri [Provincial Government and Rural Development Minister] and Allan Paol [Culture, Sports, and Tourism Minister], who both resigned to join the opposition. The opposition is now claiming 26 votes to the government's 21, but the government is insisting it can

go on and even deliver the budget later this month. Both are counting on the votes of several members of Parliament yet to arrive in the capital, Honiara, from the islands following the crisis. Opposition spokesperson Danny Phillips says the opposition will ask the governor general to dismiss the government when all the MP's are back in the capital. But how sure is he that just as the opposition has poached government members, the government couldn't do the same back?

[Phillips] I doubt that very much because we have been in continuously on telephone... contact with the four members who are still in the provinces. The other side have been claiming then continuously as well that they have been defected to the government's side but we have reassured them and our people in (Malayta) and [name indistinct] that is not so. We have been on telephone with them continuously almost 24 hours.

[Reddan] Have you offered anything to the three defecting ministers; perhaps ministerial posts in your own government?

[Phillips] I think we have an obligation, we have a responsibility to the resigned ministers as a group and, at the moment, we have not put definite ministerial allocations as yet. I think the principal of things is that we have a responsibility to the three resigned ministers.

[Reddan] So how soon do you think you can be back in government?

[Phillips] For... that is a question of... we are still thinking about. When the timing is a matter of concern to us because we do not want the government to prolong the timing of formation of next the government.

[Reddan] Danny Phillips, a senior member of the opposition. The government may be confident of retaining office but it's given itself some extra time before testing its position in Parliament. The budgetary session due this Thursday [18 November] has been postponed a week. [end recording]